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CHINA REPORT RED FLAG

No. 11, 1 June 1984

Translation of the semimonthly theoretical journal of the Central Committee of the Communist Party of China published in Beijing.

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REFORM THE INDUSTRIAL MANAGEMENT SYSTEM--A MAJOR TASK IN URBAN ECONOMIC
REFORM AT PRESENT

Beijing RED FLAG in Chinese No 11, 1 Jun 84 pp 2-6

[Article by Lu Dong [0712 2639]; passages within slantlines published in
italics]

[Text] In his "Government Work Report" to the Second Session of the Sixth NPC, Premier Zhao Ziyang pointed out: We should speed up the development of our urban reforms and we should start by handling the relations between the state and the enterprise and between the enterprise and its staff and workers in order to form an initial complete group and to simultaneously carry out all the reform measures suited to the current situation. From the point of view of reform in our industrial management system, our aim is to carry out the second step of reform by substituting taxes for profit delivery, solving the problem related to internal distribution in our enterprises, correspondingly expanding the managerial and administrative decision-making power of our enterprises, forming our reform measures into an initial set, and gradually turning our enterprises into economic entities where the independent accounting units will shoulder sole responsibility for their own profits and losses and into economic cells of our national economy that are full of vitality. Undoubtedly this is a key issue in consolidating and developing the very fine economic situation in our country at present. We must strengthen our leadership, vigorously grasp the implementation of our reform measures, and make breakthroughs via this initial set of reform measures in promoting our urban economic reform, raising our economic results, and improving the quality of our enterprises.

In Order To Speed Up Our Urban Reform, We Must Eliminate the Remnants of
"Leftism"

In the early 1950's, as our national economy recovered and developed, we established socialist public ownership with the state-run economy occupying the dominant position along with a centralized and unified management system, both of which basically conformed to our country's actual situation at that time and met the demand for building socialism in a planned manner. In April 1956, Comrade Mao Zedong gave a speech entitled: "On 10 Major Relationships," in which he initially summed up the experience in our country's socialist construction and raised the task of looking for a path of socialist

construction that was suited to our country's national conditions. However, later, because of the serious mistakes in the guidelines of our party's work and under the influence of the "leftist" thoughts, we failed to achieve success although we made efforts several times to reform our economic management system. Regarding the structure of our ownership, we were too anxious to cross from a structure of diversified economic factors to that of a uniform ownership by the whole people, and thus negated the objective demand for developing diversified forms of economy under socialist conditions. Regarding the relations between the state and the enterprise, we implemented a management system of excessive centralization and rigid unification. As a result our enterprises were deprived of their relative independence and necessary decisionmaking power. Concerning economic management, we restricted commodity production, negated the regulation of market mechanisms, became used to managing our economy by administrative means, and overlooked the role of prices, taxation, credit, and other economic levers in regulating our national economy. Concerning distribution, we violated the socialist principle of distribution according to labor and mistook "eating out of the same big pot" as a superior factor of socialism. All these made our enterprises lack the initiative and flexibility that they should have had, made our staff and workers lack the initiative and sense of responsibility that they should have had, and thus seriously hindered giving play to the superiority of the socialist system.

Since the 3d Plenary Session of the 11th CPC Central Committee, we have corrected the "leftist" mistakes and persisted in proceeding from facts. Our party has strictly observed the law that the relations of production must be suited to the nature of the productive force, affirmed the objective necessity of regarding the state-run economic sector as the guiding sector and allowing diverse forms of economy to coexist, adhered to the principle of regarding planned economy as the core and supplementing it with the regulation of market mechanisms, drawn a clear demarcation line between socialist commodity production and capitalist commodity economy, and corrected many misunderstandings about the socialist principle of distribution according to labor, thus arousing the initiative of millions of people in persisting in carrying out reforms, abolishing the old and creating the new, and carrying out widespread exploration and experiments for building socialism with distinguished Chinese features.

For more than 5 years we have carried out many kinds of pilot projects in reforming our industrial management system. Since 1979, when we began to expand the decisionmaking power of our enterprises, we have developed and implemented many kinds of economic responsibility systems. On this basis, in June 1983, we carried out the first step of reform by implementing a substitution of taxes for profit delivery in our state-run enterprises. At the same time, through exploration, we found many effective methods to reduce losses, increase profits, carry out cooperation between our industry and commerce, consolidate our enterprises, restructure our industry, promote technological progress, develop the collective economy, and enliven small state-run enterprises. Generally speaking, we have already made a good start in our urban reform. However, we should not fail to see that the reforms in the past few years were merely partial and exploratory and

that people in different sections differed in their understanding of these reforms; therefore, the development of our reforms was not quick enough. This situation shows that we have not yet thoroughly eliminated the remnant influence of "leftism" in our economic work and that certain outdated conventions have continued to fetter people's minds. In order to speed up our urban reform we must continue to emancipate our minds, be brave in practice, and dare to explore and experiment with any reform that facilitates the fulfillment of the party's general task and the realization of the party's general goal, that facilitates raising economic results and promotes technological progress, and that facilitates developing production and improving people's livelihood. We should dare to break and abolish any old conceptions, methods, and conventions that cannot meet the demand of the development of our productive force. By so doing we will be able to catch up with the development of the situation and advance our urban economic reforms.

The Fundamental Way To Raise Our Economic Results Lies in Reforms

In order to bring about a radical turn for the better for the financial and economic situation in our country, and in order to realize the magnificent goal put forth by the 12th National CPC Congress, we must switch our entire economic work toward raising economic results, creating a new situation in raising our economic results, and managing to achieve a simultaneous increase in our gross industrial output value, realized profits and tax payments, and profit delivery. This requires us to adopt various kinds of measures, including conscientiously organizing our production and circulation in order to make our products marketable, vigorously reducing losses and increasing profits in order to raise the level of tax payments and profit delivery by our enterprises, doing a good job of overall consolidation in our enterprises in order to improve the quality of our enterprises, grasping the reorganization and restructuring of various sections of trades and vigorously promoting reorganization and combination in order to make our enterprises' organizational structure more rational, promoting the progress of technology, improving the quality of our products, and speeding up the substitution of new products for old ones, and reducing material consumption and costs. Reforms are indispensable for the satisfactory completion of all these aspects of work. Only by carrying out reforms to correctly handle the relations between the interests of the state, can the enterprise, staff, and workers really link responsibility, power, and interest with one another and can we more satisfactorily utilize the role of all positive factors and imbue our enterprises with the stimulus, motivational force, and vitality to raise our economic results.

According to the spirit of Premier Zhao Ziyang's "Government Work Report," the key to our current urban economic reform lies in thoroughly putting an end to the situation whereby our enterprises get the same treatment no matter whether their management is good or bad and whereby our staff and workers get the same remuneration no matter whether they do more or less work. It also lies in conscientiously and systematically overcoming the malpractice of "eating out of the same big pot," which is very common in our urban economy. Therefore we must focus on solving the following problems.

/1. We should satisfactorily handle the relationship of distribution between the state and the enterprise./ Our state-run industrial enterprises are a leading force in our country's national economy and are in an important position for guaranteeing the major sources of the financial revenue of our state and for creating an overall new situation in our socialist modernization. In order to fill our economy with vitality, we should make our enterprises strictly perform their economic responsibility for the state, make them have their own economic interests on the precondition of guaranteeing a steady increase in our state's financial revenue, and provide them with a guarantee of certain financial resources for the development of production and improvement of the livelihood and welfare of their staff and workers. This requires the establishment of a relatively stable relationship between the state and enterprises in distributing their interests in order to make it impossible for our enterprises to "eat out of the same big pot" provided by the state.

According to our practice in recent years, the implementation of the system of substituting taxes for profit delivery in our state-run enterprises has brought about satisfactory results. The State Council has decided that beginning in the fourth quarter of this year, a second step of the reform to substitute taxes for profit delivery will be widely carried out in order to cross from the practice of collecting taxes and profit delivery simultaneously to the practice of entirely substituting taxes for profit delivery. After our enterprises have paid taxes to the government in accordance with the law, they will be able to independently dispose of their after-tax profits. As a result, our enterprises will be able to operate as independent accounting units and shoulder sole responsibility for their profits and losses under the guidance of state plans, policies, and law. We must resolutely and satisfactorily carry out this reform.

While widely implementing the system of substituting taxes for profit delivery, according to the different nature of our enterprises and the practical experience gained in the past few years, we can respectively adopt the following forms in some of our enterprises: We can give a free hand in the management of our small state-run enterprises and assign contracts to collectives or individuals for all-round responsibility for the management of these enterprises. We can rent these enterprises to collectives or individuals and treat them as collective enterprises and make them shoulder sole responsibility for their profits and losses after paying taxes to the state. As for the enterprises that suffer losses or earn little profit, we can implement the all-round responsibility system with quoted allowances for losses or with profit targets and make them shoulder sole responsibility for their profits and losses by taking into account the allowance and targets. As for a small number of backbone enterprises that have been assigned heavy tasks of technological transformation, with the approval of the state, we should assign them all-round responsibility for a fixed percentage of tax payment and profit delivery or make them shoulder sole responsibility for their profits and losses after fulfilling the tasks assigned to them by all-round responsibility contracts.

In short, through correctly handling the distributive relationship between the state and the enterprise, we should tap the great potential of our enterprises and give play to their initiative. This is the top priority in the reform of our industrial management system.

/2. We should satisfactorily handle the distributive relationship between the staff and workers inside our enterprises./ We should conscientiously implement the principle of socialist material interests, make our staff and workers show concern for the production of their enterprises and the development of the national economy out of the consideration of their own material interests, and lead them to closely combine their personal interests with the interests of the collective and the state and to closely combine their immediate interests with their long-term interests. The implementation of the system of substituting taxes for profit delivery and the satisfactory handling of the distributive relationship between the state and the enterprise will provide preconditions for correctly handling the distributive relationships between the staff and workers.

In the past few years the authorities of various localities have brought about many good experiences in reforming our wage and bonus system. In light of the different conditions in their enterprises, they respectively have adopted various forms of granting bonuses according to work ratings, piece rates, floating wages and fixed rate job subsidies, and so forth. As a result, they have switched from the previous system of paying "dead wages" into paying "live wages," and have switched from the method of relying solely on government administration in the past to the method of management by economic responsibility. This has made the masses of staff and workers understand that only by the fulfillment of their duties can they fulfill their interests, and that if they work satisfactorily for the state, they will also be benefited. It is thus clear that breaking away from the egalitarianism of "eating out of the same big pot" is the universal demand of the broad ranks of staff and workers. It is imperative to conduct reforms in the wage and bonus system.

The State Council has recently issued the "Circular on the Problems Related to Bonus Payment in Our State-Run Enterprises," which stipulates the method of fixing no ceiling nor bottom for bonus payments for our staff and workers. This means that if an enterprise fulfills in an all-round manner and overfulfills the state plans, and its tax payment and profits increase over that of the year before, it may properly increase its bonus payment; if an enterprise fails to fulfill the state plans, pays less taxes, and earns less profits, its bonus payment will be reduced or forbidden, and even the wages there will be reduced. Except for the trades of mining, transportation, and construction, which require intensive labor, the state will levy a bonus tax on enterprises paying extra-quota bonuses in order to prevent the increase in consumption funds from growing out of control. In short, we must closely link the amount of income of our staff and workers with the results of management in our enterprises and the amount of contribution by the individual.

We emphasize the principle of distribution according to labor, and at the same time, we must attach great importance to political education with communist ideology as the core. We must rely on our powerful ideological and political work to enable our broad ranks of staff and workers to foster the labor attitude of being masters. Of course, on the other hand, we must not confuse publicizing communist ideology with the policies that we must implement at the present stage. Concerning our wage and bonus system, we must implement in an all-round manner the principle of distribution according to labor.

/3. We should continue to expand the decisionmaking power of our enterprises./ In order to enliven our economy, in order to raise our economic results, and in order to gradually achieve the modernization of our management, technology, and personnel, we must correspondingly expand the decision-making power of our enterprises. At present many of our enterprises are in a predicament where no one is responsible for them. This is in fact a situation where those who must shoulder the responsibility for them have no power, no ability, or no strength to do so. As our enterprises have no power, we cannot set up or implement the new systems that promote the development of our productive force, and, on the other hand, we cannot abolish through the reforms the systems that hinder the development of our productive forces. The following is often the case: Our enterprises have no authorization to sell themselves the products that they have produced in excess of the planned targets (not including the products for which there are special stipulations by the state). Our enterprises are not empowered to select the suppliers for the materials and goods over which the state has a monopoly. They are not entitled to dispose of or employ the various kinds of special funds retained by them or to decide on the establishment of their functional organizations or on the structure of personnel in these organizations. Nor have they the power to appoint or dismiss their medium-level administrative cadres or select fine candidates to employ as their staff and workers. This has enforced countless fetters and restrictions on our enterprises and is detrimental to the development of production and to the improvement of the state's financial situation. Now our country's industry is faced with a serious challenge and with a question of how it is to bring about a new change in order to raise its quality. Our vast number of enterprises have vied with one another in putting forth the demand for "getting untied." This reflects their lofty sense of responsibility and urgency for the reform in our industry.

Recently the State Council has published, in the light of the actual demand and possibilities at present, the "Provisional Regulations on Further Expanding the Decisionmaking Power of Our Industrial Enterprises." This is a major reform. We should not lose time in vigorously grasping its implementation; in particular we should closely combine this reform with the enterprise consolidation at present in order to use the reform to promote the consolidation. In the large and medium-sized enterprises that have already passed the acceptance tests for enterprise consolidation, we should use the spirit of this reform to firm the achievements of the consolidation and forge ahead toward a loftier goal. In the enterprises that are undergoing enterprise consolidation, their key task is to establish leading groups

that have the spirit of reform and are able to conscientiously implement the policies of the central authorities and thus enable the quick implementation of various kinds of reform measures. In short, through reform and consolidation, we should untie our enterprises, enliven their production, improve their administration and management, and continuously raise their economic results.

/4. Inside our enterprises we should establish and perfect diverse forms of the economic responsibility system./ Practice has proven that it is impossible for any reform measure to achieve its due effects if there is no strict economic responsibility system inside our enterprises. Inside an enterprise each department, unit, and individual is closely related to achievement of the management goal of the enterprise and the relations between various units and between various individuals are extremely complicated. We should include in the economic responsibility system of our enterprises the job responsibility system geared to every staff member and worker and the professional economic system and thus clearly define the responsibility, power, and interests of everyone. Only by so doing can we promote the continuous improvement of the quality of our enterprise management. The capital iron and steel complex has already scored very satisfactory achievements in implementing the economic responsibility system with all-round responsibility, guarantee of mutual cooperation, and assessment of performance as its major goals.

All-round responsibility means that each one shoulders full responsibility for the task assigned to him. We should not assign him the all-round responsibility only for the targets and not for his job, and even less should we assign the responsibility only for profits and nothing else. We should make the economic responsibility shouldered by an enterprise for the state an actual part of both the job economic responsibility and the professional economic responsibility of each staff member and worker of the enterprise. This all-round responsibility is the unity of economic targets and vocational work. Each staff member and worker should ensure the realization of the goal of his enterprise by performing the duties of his post.

Guarantee of mutual cooperation is related to the cooperative relations between people in the process of organizing their common labor. It is an important link in the internal relations of production in an enterprise. If there is only the all-round responsibility but no guarantee of mutual cooperation, our staff and workers will do their work separately. This will give rise to a dislocation between various posts and processes and cause the process of operation to be disjointed. Therefore, each unit and each staff member and worker should not only fulfill the task of all-round responsibility, but should also fulfill the task of cooperation according to the regulations. By so doing we will cause the orderly operation of all the complicated vertical and horizontal cooperation and coordination in our enterprises and thus achieve high efficiency and high economic results in our production and management.

Assessment means the strict assessment of performance in order to award the diligent and punish the lazy and in order to award those who have achieved successes and punish those who have committed mistakes. We should assess the labor results of each staff member and worker in light of the economic responsibility assigned to him, carry out distribution in light of the assessment results, and implement the principle of "the total amount of bonuses not exceeding a fixed limit, bonuses being not equally paid in all units, and there being no ceiling for the bonuses of any individual."

The economic responsibility system of the capital iron and steel complex has been established by the people in the complex in the light of their actual conditions. As conditions vary for different enterprises, we should not adopt a uniform pattern for the system in all our enterprises. An enterprise should establish, in light of its own actual conditions, the economic responsibility system that is suited to its own conditions. However, no matter what form of responsibility system an enterprise has adopted, it must conscientiously strengthen all the basic work of enterprise management, including doing a good job in the work related to standards, measuring, the fixing of quotas, and the management of information, and it must establish regulations and systems centered on the responsibility system. By so doing we will gradually quantify, standardize, and systematize our management work. All these are indispensable conditions for perfecting our economic responsibility system.

/5. We should vigorously support the development of our collective enterprises./ At present the number of our urban collectively owned industrial enterprises has already risen to 300,000. These enterprises are an important part of our country's urban industry. They require a small investment, employ a large labor force, can produce a large variety of products with many modes and fashions, and are able to provide various kinds of service in accordance with various demands. Therefore they play an important role in developing production, enlivening our market, providing convenience for our people's livelihood, and maintaining the stability of our society. The problem now is that many of our collective enterprises have been run in strict accordance with the patterns of the enterprises owned by the whole people and have lost their special features as collective enterprises. Therefore we should relax our policies and allow them to carry out, in light of their special features, the reforms that will focus on satisfactorily solving the problems related to shouldering sole responsibility for their profits and losses, and the problems related to their independent management, distribution according to labor, and democratic management. We should restore the inherent organizational mass nature, democracy of management, and business flexibility of our collective enterprises and enable them to have greater decisionmaking power than our state-run enterprises.

Since the beginning of this year our various areas have formulated one by one certain policies and regulations to support the development of our collective enterprises. We should continue to sum up our experiences in our practice and ensure the healthy development of the reform.

Actually Streamline Our Administration, Transfer Power From the Top Downward, and Reform Our Methods of Leadership

The implementation of urban economic reform involves the readjustment of the economic relations and the relations of economic interests between the state and the enterprise, between the enterprise and its staff and workers, and between the staff and workers themselves. All the departments and areas should strengthen their leadership over this work, carry out deep investigation and study, adopt corresponding reform measures, streamline their administration, transfer power from the top downward, correct and prevent unnecessary intervention in our enterprises, respect the decisionmaking power of our enterprises, and help factory directors to exercise their power of office and run their enterprises satisfactorily.

The responsible economic departments at all levels should reform their leadership methods in light of the spirit of the principle of "ensuring the satisfactory administration of major aspects and relaxing and enlivening small aspects." They should gradually switch the focus of their work onto the work of overall planning, the work of giving ideological guidance and guidance on policies, the work of economic legislation, the work of popularizing and applying science and technology, the work of spreading economic information, and the work of carrying out deep investigation and study, inspection and examination, and popularizing typical advanced examples. Thus they will share the responsibility for centralized planning, coordination, inspection, and the provision of service, and vigorously promote the development of our urban economic reform.

As our key cities continue to strengthen their role in organizing industrial production, the responsible industrial departments must gradually switch from the current practice of departmental administration to trade administration. They should regard restructuring and consolidating their trades, doing a good job in trade planning, and strengthening their administration of their trades as an important reform that they should conscientiously and satisfactorily grasp. The goal of the administration of their trades should be to improve their economic results; to break the boundary between departments and areas in accordance with the principle of a specialized coordination and economic rationalization; to start from the characteristics of their trades and products to make overall planning; to push forward readjustment, reorganization, and reforms in their enterprises; and to promote technological progress. The major aspects of the administration of trades are: to study and formulate the policies on technology, technological equipment, and economic development of their trades; to put forth plans and tentative ideas for the development of their trades; to work out a rational scale, the economic size of a batch, the cost of products, and the technological standards and various quotas for their trades and enterprises; to establish and perfect scientific research centers for their trade and research the development and application of their new products, new skills, and technology; to organize market research and forecast and provide their enterprises with technological and economical information; to help their enterprises train professional personnel; to provide advice and guidance for the management and administration of their enterprises; and to develop in their trades the

activities of comparison, appraisal, and competition, and to exchange and popularize advanced experiences. By so doing, the responsible industrial departments will extricate themselves from the numerous and complicated concrete affairs that the enterprises ought to be responsible for dealing with on their own, and will be able to strengthen their administration of and guidance over the whole trade. At the same time, this will also facilitate combining the initiative of responsible departments and that of basic level enterprises and thus help them to chart, through exploration in the process of reform, a new way for modern industrial administration that is suited to our country's national conditions.

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STRIVE TO MAKE THE SHENZHEN SPECIAL ECONOMIC ZONE A BIGGER SUCCESS

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[Article by Liang Xiang [4731 3276]]

[Text] The building of special economic zones is entirely new to a socialist country. In line with the policy of opening to the outside world and a series of policies on building special economic zones on an experimental basis formulated by the party Central Committee, and under the direct leadership of the Guangdong Provincial CPC Committee, the Shenzhen Special Economic Zone has achieved initial results after making extensive explorations. During his inspection tour in the Shenzhen Special Economic Zone early this year, Comrade Deng Xiaoping wrote an inscription: "The experiences gained in the development of Shenzhen prove the correctness of our policy of building the special economic zones." This will greatly encourage and spur us on. I will say a few words about my personal experience and understanding of our work in Shenzhen in the past few years.

The Policy of Building the Special Economic Zones Is Correct

Over a century ago, Marx and Engels pointed out: With the appearance of the capitalist world market, the exchange of visits and mutual dependence among various nationalities gradually replaced the previous state of living in isolation and self-reliance. After World War II, trade relations between countries (regions), the circulation of capital and the transfer of technology developed at an unprecedented rate and the economy of many countries revived quickly mainly because of their increasing expansion of economic and trade activities with other countries. The 3d Plenary Session of the 11th CPC Central Committee adopted the historic policy of shifting the focus of work of the party to economic construction and decided to carry out the policy of opening China to the outside world as a measure in keeping with the new tide of world economic development. Building the special economic zones is a major component of our open-door policy.

Taking the methods of running the free trade zones and the export goods processing zones in many countries of the world as a reference, in July 1979, the party Central Committee and the State Council successively decided to build the special economic zones in Shenzhen, Zhuhai, Shantou and Xiamen on an experimental basis. The unique geographical position and

various favorable conditions of these places and the specific policies designed for them have enabled us to build these special economic zones as a forward position in opening China to the outside world and as the display windows of technology, management, knowledge and foreign policy in our economic activities with foreign countries. Through these windows we are able to observe and find out about developments in world economy, to acquire information on foreign science and technology, to absorb more foreign funds, advanced technology, modern equipment and scientific methods of management and to train qualified personnel so as to serve China's socialist modernization drive.

Correct policies can generate enormous material force as soon as they are integrated with practice. In the past 4 years and more, the Shenzhen Special Economic Zone has made remarkable achievements in many fields such as expanding foreign economic and technical exchange, absorbing large amounts of funds from Hong Kong, Overseas Chinese and other countries of the world, and importing some advanced technology and modern equipment. By the end of 1983, the Shenzhen Special Economic Zone had signed a total of 2,500 contracts with foreign investors. The total pledged investment came to more than \$1.8 billion, of which more than \$400 million has been put to use. It imported a certain amount of advanced technology and over 25,000 sets of equipment, thus speeding up the development of production in the special zone. The gross value of industrial output in 1983 was 10.7 times the figure for 1978, the year before the building of the special zone; the gross value of agricultural output rose by 29 percent, even though the area under cultivation was reduced; revenue in 1983 was 10.9 times the 1978 figure; and that part of foreign exchange reserved by the local authorities increased by 200 percent. The achievements made in economic construction in the 4 years since the establishment of the special zone are even better than those made from 1949 to 1979. With the rapid economic development in the special zone, the material and cultural life of the masses has significantly improved. As compared with 1979, the average wages of workers in the enterprises owned by the whole people went up by about 133 percent and the annual per capita income of peasants rose by 250 percent. Shenzhen, once a small town in the remote border areas, has now become a modern socialist city, with roads radiating in all directions and many tall buildings, where public order is stable, the social mood is good, people live and work in peace and contentment, and markets are flourishing. The experiences we have gained and the lessons we have drawn in the course of practice, as well as the achievements made in experimenting with reforms have been seriously taken and applied in the interior. Building the special economic zones in China has evoked strong reactions in the world. Our foreign friends who have visited the Shenzhen Special Economic Zone said: This special zone is "the epitome of China's open-door policy, which is a far-sighted, important policy." Comrades of some socialist countries and fraternal parties also regard our building of the special economic zones as a "bold idea and a creative policy decision."

The above shows that China's policy of building the special economic zones through self-reliance and by maintaining independence and keeping the initiative in our own hands is completely correct. This policy is entirely

different, in nature, from the old China's open-door policy, which was a policy of national betrayal and humiliation under the pressure of imperialist guns. Our special economic zones are built under the strong leadership of the Communist Party, while the sovereignty of these places is still in the hands of the people and the socialist system is retained. These special zones, as a specific measure to open China to the outside world on the principle of equality and mutual benefit, work for the socialist modernization drive.

Create a Good Climate of Investment

In the special economic zones, which are a result of China's policy of opening to the outside world, the main tasks are to make good use of foreign capital and to absorb advanced foreign technology and scientific management methods in the course of foreign economic exchanges so as to serve the general strategic objective of our four modernizations. What concerns foreign investors most is whether they can make profits in their business with us and whether their just rights and interests can be protected by law when they make investments or run factories in the special economic zones of a socialist country. Generally speaking, attracting foreign funds and advanced technology and equipment to our country needs a favorable climate of investment, including political stability, good social order, preferential policies, a perfect legal system and excellent infrastructure. To create such a good climate of investment, of course, benefits foreign investors, but it will finally benefit both sides. From a long-term point of view, it will greatly promote and benefit our socialist construction. If special economic zones do not apply specific policies in the course of opening to the outside world and do not give preferential treatment to foreign investors and make things easy for them, then they can hardly have any appeal to the world markets and can hardly absorb what we need.

Over the past few years, we have done a lot to create a good climate of investment on the principle of equality and mutual benefit.

First, by building good infrastructure for investors. By the end of 1983, we had made an investment of more than 1.9 billion yuan in capital construction, mainly in building public utilities of transport, communications and energy in an area of more than 20 square miles in Luohu, Shangbu and Shekou, such as roads, water supply, power supply, communications, gas supply, drainage, sewage treatment and land-leveling projects.

Second, by applying specific policies, giving investors preferential treatment, and making things easy for them. 1) The means of production and the necessary consumer goods, with the exception of wines and cigarettes, used by investors in the Shenzhen Special Zone are exempted from import duties. Meanwhile, products of the special zone are also exempted from export duties. 2) Only a 15 percent income tax is levied on foreign investors, this rate is lower than that in Hong Kong. A lower rate of income tax can be offered to enterprises with an investment of \$5 million or more and to enterprises involving higher technologies. 3) Facilities are made available to the management of foreign enterprises and to their staff members going in and

out of the zone. Foreign investors are free to employ foreigners as their technical and administrative personnel and to decide on their wage system according to the requirements of enterprises. They can also open accounts and deal with matters related to foreign exchange with the Bank of China and foreign banks in the Shenzhen Special Economic Zone. Legitimate after-tax profits of the enterprises and proper earnings of foreign, Overseas Chinese and Hong Kong and Macao workers, and staff members can be remitted out of China. If foreign investors want to terminate their business in the special zone, they should go through related procedures and clear the debts. The assets of the closed enterprises can be transferred and the funds can be remitted out of China. Traveling in and out of the special zone is made convenient for foreign investors. 4) The cost of labor in the special zone is comparatively low--equivalent to 45 percent of that in Hong Kong.

Third, by bringing about steady improvement in the rules and regulations in the Shenzhen Special Zone and strengthening the legislative work related to economic affairs. In order to safeguard our country's sovereignty and interests and protect investors' legitimate rights and interests, in recent years the state has proclaimed a series of laws and regulations conducive to absorbing foreign funds, including the law of Chinese-foreign joint ventures and the law of patent right. Meanwhile, the Shenzhen Special Economic Zone has also paid close attention to its legislative work. Following the promulgation of regulations on the special economic zone, it also enacted a series of laws and regulations governing work in various fields. In addition, we also set up economic courts, legal advice offices, and offices of arbitration for economic affairs. All this has further improved the legislative and judicial work in the Shenzhen Special Economic Zone.

Fourth, by vigorously developing economic cooperation with the interior and acting hand in hand in importing foreign advanced technology. Facts tell us that to give full play to the active role of the special economic zones which are backed by the whole country, not only should the special economic zones absorb foreign funds and advanced technology, but they should also strive to obtain support in manpower, materials, and technology from the interior. Take the Shenzhen Special Economic Zone as example--it has invited over 40 designing companies and more than 100 units in charge of construction work from various parts of the country to join our large capital construction projects, thus greatly quickening the pace of capital construction in the zone. Before it was designated a special zone, Shenzhen's industrial foundation was weak and was beset with difficulties in developing modern industries. We therefore made efforts to build a number of factories and enterprises with the help of the interior provinces and cities. This immediately enhanced our ability to absorb foreign funds and advanced technology. Conversely, the interior provinces and cities can observe the world economic situation and the trend of scientific and technological development and acquire economic information from abroad through the Shenzhen Special Zone.

After a few years of our hard work, the climate of investment in the Shenzhen Special Economic Zone is getting better every day for investors. Contracts signed with foreign investors in 1983 increased by 52 percent

over 1982. In the first 2 years after the building of the zone, investors were mainly from Hong Kong and Macao. But now, we receive foreign businessmen, including some tycoons and transnational companies, from more than 50 countries and regions such as the United States, Japan, the FRG, Britain and Switzerland.

Reform the Management System Which Does Not Suit the Policy of Opening to the Outside World

The economy in the special economic zones is a comprehensive economy of diversification under the leadership of the socialist economy, which relies mainly on Chinese-foreign joint ventures and foreign enterprises of sole proprietorship. The economy in the special economic zones develops mostly by means of foreign funds, their economic activities are mainly controlled by market regulation under the guidance of state plans, and most of the products of enterprises in the special zones are exported. These special features in the economic field of the special zones, which are not seen in the interior of our country, determine that the special economic zones must establish a new management system in the administrative and economic fields. In accordance with the principle that "new and special things must be handled in a new and special way, and completely new methods adopted, but our position must remain unchanged," new organizations, new systems, new rules and regulations, and new work styles must be established in the management of economic affairs so as to suit the development of the special economic zones, to be able to react quickly to changeable world markets, to work in line with economic laws, and to run production and business in a flexible way. Otherwise, the special economic zones will exist more in name than in reality and their economy can hardly make any progress. In this respect, the Shenzhen Special Economic Zone has carefully investigated the following things.

The reform of administrative organs and the economic management system to meet the needs of economic construction in the Shenzhen Special Zone. As early as 1981, we began making the division of work between party organizations and governments and the division of management between governments at all levels and enterprises in accordance with the principle of "simplified administration and high work efficiency." Meanwhile, we resolutely dissolved and severed many "middle" links, thus improving somewhat the phenomenon of overlapping administrations and bureaucracy in trade. At the same time, the leadership gave more powers to enterprises in making decisions on business, production, marketing, funds, personnel administration, wages and economic activities with foreign countries. As a result, low efficiency in work resulting from overlapping and overstaffed administrations and endless haggling and shifts of responsibility changed greatly.

The reform of the circulation system to meet the needs of market regulation. In commerce, efforts have been made to clear the channels of circulation and to keep the door open for interior provinces and cities to do business with the Shenzhen Special Zone on favorable terms, and the power of opening up new sources of goods has been granted to enterprises to a certain degree. In foreign trade, we have adopted measures to link industry and agriculture with trade, to merge the domestic and world markets into an organic whole,

to make production, supply, and marketing a coordinated process, to develop imports and exports by different means and to do business on the basis of trade competition. In pricing, we have gradually established a system which relies mainly on market regulation together with the application of planned prices and floating prices under the guidance of state plans so as to give full play to the law of value. As a result, the Shenzhen Special Zone now has smooth channels of circulation, rich sources of goods, a booming market and the rapid development of commodity production in the rural areas.

The reform of the management system in capital construction to meet the needs of carrying out capital construction on a large scale in the Shenzhen Special Zone. In the system of management of capital construction, we gave up the previous practice of making checks at all levels and submitting reports for approval at all levels by coordinating five aspects (coordinated actions in planning, requisition of land, designing, arrangements for construction and use of funds) in order to check endless haggling and shifts of responsibility. In the way of doing business, we broke with the previous practice of "officials" running the whole show and all tasks being assigned by administrative units. Instead, we adopted the methods of appraising designs through discussion, inviting tenders for construction projects, and instituting the contracted responsibility system at every level of the units which contract for construction projects. All this aroused the enthusiasm of all the relevant quarters, quickened the tempo of projects, reduced their cost and ensured their quality. In the past, a 6-story residential building took 6 months to build, now construction time is reduced to about 110 days. Building one story of the structural frame of a high building takes only 4 to 6 days--almost the same speed as in the building industry in Hong Kong. Meanwhile, we have also established engineering development companies, which are responsible for drawing up plans in unison and doing practical work ranging from basic construction to the final phase of the project. With regard to sources of funds, we collect funds through different channels: by getting bank loans to develop land for sale; by building factories and commercial and residential buildings for sale by the "snowball" method; and by issuing shares in some enterprises as an experiment to raise funds for continuous expansion.

The reform of the labor and wage system to overcome the egalitarian drawback of "everybody eating from the same big pot." In personnel and labor affairs, the previous system of unified recruitment and assignment by the labor department has now been replaced by the system of employing workers on contracts and the system of openly recruiting professional and technical personnel. In some enterprises, a system of employing members of leading groups by contracts and through democratic election and approval by organizational departments has been adopted as an experiment. In the Shekou industrial district, members of leading groups of enterprises are decided by ballot every year. With regard to types of wages, some government-run enterprises have begun to set up the system of fixed wages plus floating wages on a trial basis, and the system of all types of floating wages has been adopted in Chinese-foreign joint ventures. Permission has also been given to enterprises to decide other types of wages according to actual

conditions and requirements. Thus, the material welfare of the staff and workers (including wages, bonuses and welfare subsidies) is linked with the business of enterprises, the work of individuals, and their contribution to the country, and the enthusiasm and creativeness of workers and cadres is enhanced.

In addition, we have also carried out reforms in other aspects such as commerce, trade, monetary system, taxation, the system of price control and residential construction.

Practice in recent years has profoundly taught us: The Shenzhen Special Economic Zone cannot take on the new look of today without reforms--it develops and grows through reforms. With the steady development of economic construction, we will meet with many new contradictions and problems. Meanwhile, with the development of our economic exchanges with foreign countries, we must continuously absorb good experiences in scientific management methods to promote reforms in all fields of the special zone.

We must be aware of the unique aspects of carrying out reforms in the special economic zones and we must investigate the question of using advanced technology and scientific management methods for our economic system so that the special zones will be able to work as a "window" for reforms in the interior of our country.

Build Material Civilization and Spiritual Civilization Simultaneously

In the course of implementing the policy of opening to the outside world, the special economic zones have to deal with foreign investors, make use of foreign funds, and import foreign advanced technology and scientific management methods, and this inevitably brings about some negative things. For this reason, we must always keep a clear mind and know how to look at things dialectically, that is, the special zones should not become "special" politically while being "special" economically, they should not loosen control internally while opening to the outside world, and they should set strict demands on ideology and work style while making wide contacts with foreign countries. Meanwhile, we must conscientiously strengthen political and ideological work and wage a struggle between corruption and anticorruption in the ideological sphere, we must build material civilization and spiritual civilization simultaneously. Only by so doing will we be able to ensure the socialist orientation of the special economic zones.

In recent years, we have made tremendous efforts to organize cadres and workers to work for material civilization while building spiritual civilization in the Shenzhen Special Zone. The high tide of large-scale economic construction in the zone has greatly aroused the people's enthusiasm in building the socialist motherland, inspired their national self-respect, and strengthened their confidence in the four modernizations. The modern production and scientific management methods applied in the enterprises of the zone have trained and tempered a new generation of workers with true proletarian qualities, wiped out the habitual practice of laziness and slackness which was formed under the system of "everybody eating from the same big

pot," and struck at the evil way of bureaucratism. The giant advance in economic construction in the zone has employed a large number of engineering and technical personnel and high-grade intellectuals and the reform of different systems has brought about vigorous development in science, education, culture, public health and sports. As a result, cadres, workers and the masses of people taking part in the activities of learning from the advanced and studying science and culture has become the order of the day. Seeing the thriving economic construction, the rapid development of social productive forces, and the steady improvement in people's livelihood, cadres and the masses of people in the Shenzhen Special Economic Zone have become even more firm in supporting the principles and policies formulated after the 3d Plenary Session of the 11th CPC Central Committee, and in believing in the correct policy decision of building special economic zones, thus further enflaming their love of the party and the great socialist motherland.

In recent years, we have all along persisted in the principle of "absorbing some things and resisting influence to some extent" and "opposing pollution but not opposing everything foreign." We have vigorously promoted political and ideological education mainly in communism and patriotism among cadres, workers, and the masses of people and have developed the "five stresses, four beauties and three loves" activities and all kinds of vital and vivid recreation and sports activities. The funds used in capital construction for culture, education, public health, sports, science and technology in recent years have accounted for 33.2 percent of the total amount of investment covered by local revenues. In just a few years, not only have we published the newspaper SHENZHEN TEQU BAO and established Shenzhen University and Shenzhen television station, but we have also begun building a number of cultural facilities such as libraries, museums, theaters and sports centers. Meanwhile, we have made great efforts to deal blows at economic criminals and other offenders of crimes and taken measures to resist the attacks of decadent capitalist ideas of every description and to maintain social stability and social order so as to create a good climate of construction and living in the zone.

In building spiritual civilization, we profoundly realize that the key to the problem lies in strengthening and improving leadership. As long as party organizations at all levels of the zone can be built into strong and united combat collectives which are honest in performing their official duties and can work at high efficiency, and as long as leading cadres at various levels can really be honest in performing their duties and observing laws, the work of building spiritual civilization in the zone will surely be promoted. Party organizations at various levels in the zone are good and most party member leading cadres have played a leading role in the building of spiritual civilization.

Some people were once worried that the Shenzhen Special Economic Zone would become capitalistic in nature through long-term contacts with capitalism. As a matter of fact, all those who have been to Shenzhen can easily see that the social mood and social order in the zone are good, the mental outlook of cadres, workers, and the masses of people is healthy and the people there

are all working hard to build the giant and magnificent image of the Shenzhen Special Economic Zone. Of course, the struggle between corruption and anticorruption will continue for a long time to come. We must remain clear-minded and make unremitting efforts to carry out political and ideological education so that spiritual civilization in the zone will be made much better.

CSO: 4004/80

LET THE WHOLE SOCIETY BE CONCERNED WITH CHILDREN AND TEENAGERS

Beijing RED FLAG in Chinese No 11, 1 Jun 84 pp 12-15

[Editorial]

[Text] Children are the future of our motherland, children are our hope. We warmly greet the "June 1" children's day and sincerely wish for the healthy growth of all our children and teenagers under the best care of our motherland.

We encourage the whole society to show concern for children and teenagers. In other words, the whole society throughout the country must exert every effort to facilitate the growth of children and teenagers. The leading party and government organizations at all levels, all fronts, all departments, all units, all democratic parties and factions, all people's organizations, people from all walks of life, as well as parents, grandparents, elder brothers and sisters, and other relatives of all children and teenagers, should make proposals for and contribute their share to the fostering, training, and education of children and teenagers, and try their best to provide more and better material and spiritual conditions to meet the needs of the all-round development of children and teenagers in moral, intellectual, physical, and aesthetic education.

Our party is a proletarian political party which, with communism as its ultimate goal, regards seeking the interests of the people and future generations as its duty. Our party has always attached great importance to and has shown cordial concern for the healthy growth of children and teenagers. Every revolutionary of the older generation has placed high hopes on our children and teenagers. Comrade Mao Zedong repeatedly pointed out that it is necessary to pay attention to the physical and mental growth of children and teenagers and to teach them to foster communist values. In many of his speeches, Comrade Deng Xiaoping has stressed the necessity of care and education of children and teenagers and has written inscriptions to encourage them. He earnestly "urges the children throughout the country to resolve to grow up to be young people with lofty ideals, moral integrity, sound intellects, and robust health, and to make up their minds to devote themselves to the people, to the motherland, and to mankind." The party Central Committee has also reviewed many times the work for children and teenagers and has made it clear that the All-China Women's Federation must

take the fostering, training, and education of children and teenagers as one of its major tasks and undertake the duty of organizing and coordinating all people's organizations, departments concerned, and all circles of society in the common effort. Comrade Hu Yaobang has pointed out that a person's performance in this task is one of the criteria by which to judge whether he is adhering to the party spirit. He said: "Every Communist Party member and every revolutionary should love children and show concern for the younger generation. This is a moral requirement for every communist. If you ignore children and do not take responsibility for them, then you are not a qualified Communist Party member nor a qualified revolutionary." Our comrades in various circles, party members in particular, must carry out examination to find out whether they themselves have followed the instructions of central leading comrades, whether they themselves have attached importance to and shown enough concern for the growth of children and teenagers, whether they have fulfilled their own duty, and whether they can do a better job.

The future belongs to children and teenagers. Attaching importance to and showing concern for their growth means attaching importance to and showing concern for the future and the fate of our motherland. This is a strategic task for the whole party and the whole society. More than 300 million children and teenagers of the present day will become adults and enter society in 10 to 20 years. Will they be able to take up the communist torch lit by our revolutionaries of the older generation, hold it high, and then hand it on to the following generations? Will they be able to carry forward the socialist cause which we are now striving for? Will they become the worthy sons and daughters of the Chinese nation, the builders and defenders of our great motherland, and the fighters for the great communist cause? All this depends on whether they have a correct political orientation, a high degree of ideological understanding and moral integrity, good physical condition, strong intellects, deep insight, great courage, and competence. And, in turn, whether they will meet all these requirements depends to a great extent on how well we do in fostering, training, and educating them. Marxist materialism, respecting the findings of research in the natural sciences, recognizes that parents pass some genetic factors to their children and that innate factors may have an influence on the growth of children. But, at the same time, Marxist materialism has also proved scientifically that the decisive factor for the growth of talented people is not their innate condition but the social environment in which they grow, the efforts of the older generation in fostering, training, and educating them, their own attempts to acquire education, and their social practice in the given social environment. Therefore, the purpose of fostering, training, and educating children and teenagers is to train competent reserve force for socialist modernization and successors to the communist cause. This is a task of prime importance to the development of socialist construction and the future of the communist cause which is to be carried forward from generation to generation.

There are indeed many important things which need to be tackled these days when we are striving to create a new situation in socialist modernization. However, we should always take everything into consideration and make all-round arrangements. It is wrong to think that the tasks concerning children

and teenagers do not have to be rushed since these tasks are related to the future. As the old saying goes: "It takes 10 years to grow trees but 100 to rear people." To be sure, we must make the best use of our time to speed up economic construction, to carry out social reform, to rectify party style and social moods, and to crack down on various criminal activities. However, this does not mean that we can hold up the tasks concerning the growth of children and teenagers. If these tasks are held up, we will make a historic mistake and the growth of a whole generation will be delayed. Comrade Deng Xiaoping has reiterated again and again that in order to foster communist ideals and morality, to improve the social mood, and to promote science and technology, we must rear a generation of new people when they are young. We must give them physical training and mold their temperaments and moral character from when they are babies. We must educate children and teenagers by various means according to their special needs, teaching them to love the motherland, the people, labor, science, and socialism and helping them to cultivate good habits. Family education, infant education, preschool education, primary education, and secondary education are the basis of education. All these branches of education must be developed based on the requirements for moral, intellectual, physical, and aesthetic education, and none of them can be neglected. By laying down a sound foundation, we will be able to discover a large number of talented people. Otherwise, we will get only useless people. The reason some youngsters have become degenerate or even committed crimes is because they have lacked good family education or have not received primary and secondary education, and thereby are not capable of distinguishing and resisting the degenerate ideologies of the bourgeoisie and other exploiting classes. Although some of our comrades have often complained of the declining social mood and emphasized the value of qualified personnel, they have seldom shown concern for the growth of children and teenagers and have never attached due importance to infant, primary, and secondary education. They actually lack strategic foresight in this sense.

As the saying goes, children are always on their parents' minds. Everyone likes to see his own descendants leading a happy life, being well educated, and becoming capable people, but is afraid that they will be spoiled. Now that taking care of children has become a major burden for many families and is taking up a lot of the time and energy of many young and middle-aged couples, tens of millions of families, hundreds of thousands of parents and old people strongly urge various circles of society to show more concern for children and to provide them with additional favorable conditions. In a particular sense, this implies the necessity of concern for children and teenagers, since taking care of them is an important part of our effort to improve the people's livelihood and a task of prime importance at present which will help employees of state-owned enterprises and state organs, as well as laborers of various trades, to do away with their worries, and will provide the parents of more than 300 million children and teenagers with better production, working, and studying conditions. This will help to give full play to the employees' and laborers' initiative in production, which can also be regarded as part of our effort to emancipate the productive force. The leading comrades of Fushun No 2 petrochemical plant in Fushun city, Liaoning Province knew the importance of this function. They

have been concerned with production and the interests of the staff, as well as with the growth of the staff's children, and have simultaneously promoted production and child-care work, simultaneously started the projects of building staff residences and building nurseries and kindergartens, simultaneously improved the welfare of the staff and the welfare of their children, and simultaneously raised the quality of workers and the quality of nursery governesses and kindergartners. Now this plant has 11 nurseries and kindergartens directly run by the plant and 4 collective-run nurseries and kindergartens. All the nurseries and kindergartens of the plant, with a total area of more than 6,000 square meters, take care of more than 1,500 children, not only fulfilling the needs of the staff of their own plant but also admitting some children of employees from other units. The types of child-care service range from long-term child care to night-shift child care, temporary child care, and admission of children from other units. All these nurseries and kindergartens render excellent service, taking care of children who are brought in early, before the time, as well as those who are collected late by their parents, or even providing round-the-clock child-care service. As children have the best of care and are properly educated, the staff's enthusiasm in studying and production is heightened. Projects like this, which are beneficial to several generations, in the interests of our motherland at present and in the future, and advantageous to the production and work in our own units should be vigorously promoted and popularized.

As our country's economic, cultural, and scientific and technological level is still low at present, it is not possible to accomplish perfectly at one stroke all things concerning children. However, if we really recognize the importance of fostering, training, and education of children and teenagers, we will be pushed to find every means to do more and better things for children and teenagers. It must be understood that money spent on these things is worthwhile. We should rather spare expense in other things than cut the funds for children's welfare. In order to meet the urgent needs of the health care, medical services, supplies of food, cultural and recreational facilities, and preschool education for children, organizations at the provincial level in Fujian Province have set aside funds totaling 17 to 18 million yuan to complete a dozen projects since 1981. However, some localities and units begrudge funds and energy spent on children's welfare. They just delay or simply refuse to start some projects, even though small amounts of money and limited resources are needed to run these projects. Such a situation must be changed. We must make every effort to provide better spiritual and material conditions needed for the overall development of children and teenagers regarding moral, intellectual, physical, and aesthetic education. This is an unshirkable social duty for the responsible cadres of all localities, departments, and units.

Fostering, training, and education of children and teenagers is a comprehensive task which involve many sectors of material and spiritual production and even all fields of social life. Every sector and every unit of the whole society, from cadres to the masses, must give full play to its initiative and creativeness. Some tasks cannot be accomplished by a single department or a single unit. Therefore, all departments and units concerned should

never shift responsibilities onto each other and dispute over trivial things but must instead take the initiative in assisting each other in their common effort. Every department and unit must exert efforts to accomplish things which it can tackle by itself and should not shift the burden onto others and onto society. Now that we are going to deal with the problem of lack of child-care services, all departments and units particularly need to support each other. Nurseries and kindergartens run by any unit should be open to the public if there are vacancies. Every unit should try to find any method to tackle the problem in light of its own resources. With the help of trade unions and other mass organizations, the units under the Beijing Municipal Material Supply Bureau have expanded their existing nurseries and kindergartens, built new nurseries and kindergartens at all levels according to their own available resources, signed contracts on investment and child-care services with neighborhood nurseries and kindergartens, and trained nursery governesses and kindergartners themselves, and thus have basically accommodated children from 38 grassroots units subordinate to the bureau. Job-awaiting youths and retired teachers and workers in many places should be encouraged to run small-sized nurseries. However, some units show no concern for the growth of children and teenagers. They just let their available resources lie idle, refuse to tap their latent power and to discover possible methods, but instead ask for help from society and the state. They have in fact forgot their own social duty. The responsible comrades of all these units should think before they ask for help. If all units follow their practice, then to whom should our state and society turn for help? Then how can we push the whole society to show concern for children and teenagers?

It is said that some material production, spiritual production, and marketing departments and units serving children have low morale. This is because they cannot make high enough profits or even have to suffer losses. The problem is related to the current policy and system concerned, as well as to the management of these departments and units. To solve the problem, we should bear in mind our aim of fostering, training, and educating children and teenagers and protecting their legitimate rights, and try to find a way out in light of the reform currently under way. Nowadays, the livelihood of the people in both urban and rural areas has been improved and the more than 300 million children and teenagers' demand for material and spiritual life is enormous. Enterprises serving children and teenagers will have a bright prospect as long as our units concerned can continue the reform in management, make efforts to collect and exchange information about production, supply, and marketing, take the initiative in adopting new technology, vigorously develop new products, try their best to reduce production costs, conscientiously exercise quality control, and ensure that their products and services meet the special needs of children and teenagers and are beneficial to them physically and spiritually. Of course, as far as policies and the taxation system are concerned, it is necessary to find out in the course of the reform the methods which can encourage and push ahead the development of service trades for children. Attaching importance to the welfare of children is in the basic interest of the people and the state and conforms to the direction of reform.

In order to ensure the healthy growth of children and teenagers, we must also extensively promote scientific research on children and teenagers. There are many disciplines and special subjects concerning the moral, intellectual, physical, and aesthetic education of children and teenagers. Some of them fall in the field of the natural sciences and others in the field of the social sciences. Some of them are related to material production and others to spiritual production. Examples are the study of nutrition, nutriology, the food industry, health care, physiology, hygiene, medicine, the production of garments, toys, and cultural and physical training equipment for children; literature, music, fine arts, movies, television programs, drama, and other artistic creation activities for children; popular science, newspapers and magazines, reading materials, picture-story books, and other publications for children; child psychology and children's education, including preschool education, infant education, family education, primary and secondary education. Although we have already done a great deal of valuable work, we still have to further strengthen research in all these fields and turn them into specialized branches of study. In addition, we also have to study how to comprehensively implement the party's policy on education among children and teenagers. How to integrate family education, school education, and social education? How to combine ideological education, cultural and scientific education, aesthetic education, cultural activities, physical training, and recreational activities? How to integrate classroom teaching and extracurricular activities? How to inspire children and teenagers to acquire general and scientific knowledge, to help them to cultivate their ability to think and to distinguish between right and wrong, and to adopt communist values and morality? How to be good parents? How to be a good mother? How to be a good instructor for the Young Pioneers? How to safeguard the legitimate rights of children and teenagers? How to prevent teenagers from degenerating into criminals? Various localities must strengthen guidance over the study of these problems and the departments concerned must speed up their work. Comrades who are engaged in work relating to children and teenagers on various fronts can and should acquire relevant knowledge and make studies of relevant topics, in accordance with the needs of their work. And we should support those comrades who are eager to engage in these studies and should commend those who have made achievements. We should lay a scientific foundation for the work of fostering, training, and educating children and teenagers, and constantly improve the quality of work relating to children and teenagers, through extensive scientific studies.

As strategic and regular work, the fostering, training, and education of children and teenagers calls for the constant attention and concern of various circles of society. It is necessary to emphasize the work relating to children and teenagers once every year around the "June 1" children's day, to solve some real problems involved. However, we must also pay constant attention to the work and regularly grasp the work step by step and in a planned way, keep an eye on the situation, and study and solve actual problems. It is necessary to constantly take good care of the flowers of our motherland. We must attach importance to every link, from family to society, from kindergarten to primary and secondary schools, trying to lay down a solid foundation. Only in this way can we bring up a healthy and promising new generation.

SAFEGUARDING WORLD PEACE IS THE PRIMARY OBJECTIVE OF CHINA'S FOREIGN POLICY

Beijing RED FLAG in Chinese No 11, 1 Jun 84 pp 16-20

[Article by Tang Hualiang [0781 5478 0081]]

[Text] In his "Government Work Report" delivered at the Second Session of the Sixth NPC, Premier Zhao Ziyang emphatically pointed out: Safeguarding world peace is the primary objective of China's foreign policy. He also explicitly expounded China's efforts are aimed at easing international tension, promoting the realization of disarmament, and preventing a world war. They are of great guiding significance to China's future diplomatic work.

I

China has consistently pursued an independent and peaceful foreign policy.

In September 1949, on the eve of the founding of the PRC, Comrade Mao Zedong pointed out: "From now on our nation will belong to the community of the peace-loving and freedom-loving nations of the world and will work courageously and industriously to foster its own civilization and well-being and at the same time to promote world peace and freedom." ("Opening Address at the First Plenary Session of the Chinese People's Political Consultative Conference") When expounding the relevant provisions of the draft "Common Program," Comrade Zhou Enlai pointed out that the foreign policy of the new China was: "To guarantee national independence, freedom, sovereignty, and territorial integrity, to support long-term international peace and friendly cooperation between the peoples of all countries, and to oppose the imperialist policies of aggression and war." ("Selected Works of Zhou Enlai," Vol 1, p 371) After suffering innumerable hardships and paying an extremely high price, the Chinese people, who were long subjected to the bullying, humiliation, oppression, and exploitation of the imperialists, won their independence, earned the right to choose their own social system, and built socialism with Chinese characteristics. We resolutely safeguard our national independence, sovereignty, and territorial integrity and also fully respect the independence, sovereignty, and territorial integrity of other countries. Having grown up in the struggle against aggression and oppression, we know intimately the suffering of being invaded and oppressed and we will never invade or oppress other people. We hold that a country should rely on its own people in making revolution and that the affairs of a country should be decided by its own

people. We firmly believe in the Marxist principle, namely, a nation which oppresses other nations is not free. The Chinese people detest hegemonism and intimately know that all forms of hegemonism not only bring disaster to the people of the world but also make the peoples of their own countries suffer in the end. China will never seek hegemony and will never be a superpower. This is the ideological and theoretical basis of our country in pursuing a peaceful foreign policy.

As everyone knows, the Chinese people are engaged in a large-scale socialist modernization program. We urgently need a peaceful international environment to engage in peaceful labor. This fundamental fact has determined that our country will pursue a foreign policy with the safeguarding of peace as its primary objective. Comrade Deng Xiaoping said: "As far as our country is concerned, our foreign policy is aimed at seeking a peaceful environment to achieve the four modernizations. This is not a lie but the truth. It is a major issue which is in the interests of the people of both China and the rest of the world." ("Selected Works of Deng Xiaoping," p 205) The 12th CPC National Congress stipulated the task of quadrupling the gross annual value of industrial and agricultural production by the end of this century. This grand objective can only be achieved in a long-term, stable, and peaceful international environment. The world today has become an entity and no country can practice economic isolationism. The new technological revolution which is emerging in the world makes it all the more necessary for us to build closer economic relations with all countries, to adopt the new achievements in science and technology more satisfactorily, and to speed up the course of China's modernization program. The policy of opening to the outside world is a fundamental state policy which we should implement for a long time. Energetically developing equal and mutually beneficial economic and technological cooperation with all countries in the world on the basis of self-reliance conforms to the requirements of the law governing the development of productive forces. It is an important factor in changing the state of poverty and backwardness and speedily developing our economy. However, only under peaceful conditions will it be possible for us to win extensive friendships, to utilize foreign funds, and to import advanced technology in larger quantities and more satisfactorily, and to implement the policy of opening to the outside world fruitfully. For this reason, when engaging in the great cause of construction and implementing the policy of opening to the outside world, we should work unswervingly to safeguard world peace.

China desires peace and not war. This is by no means an expedient measure. In his "Government Work Report" Premier Ziyang explicitly pointed out: We desire peace not only today, but also in the future when our socialist modernization is achieved. The Chinese people, who were forced to live in the disaster of continuous wars, fully know the value of peace. We definitely would not like to see what we have built through hard labor devastated by war. Neither would we like to see our people suffer tremendous losses of life and property in a war. A prosperous and powerful socialist China will only be beneficial to world peace and stability and the victory of China's socialist construction also represents a powerful support for the world's advance toward progress and light.

We are for peace. This is not only because China should engage in peaceful construction but also because safeguarding world peace is the fondest aspiration of the people of all countries. The world today is indeed very unpeaceful. Actuated by the motive of seizing world hegemonism, the two superpowers, the United States and the Soviet Union, are locked in an ever intensifying global rivalry with a military force far surpassing that of any other country. Recently, the arms race for nuclear superiority between the Soviet Union and the United States has continued to escalate around the issue of the "European medium-range missiles." At the same time, they have vigorously strengthened their military strength in the East Asia and Pacific region. Their contention for strategic areas in the Third World has resulted in the formation of a series of "hot spots." In Asia, the aggressive wars against Kampuchea and Afghanistan have not stopped; the situation in the Middle East and the Gulf region is very tense and dangerous; the situation in southern Africa remains turbulent; and Central America has become another "hot spot." World peace has come under serious threat. The peoples of all countries in the world are worried about the future of the world. We would not like to see mankind ravaged in the holocaust of another world war. The brutality of modern war is known to all. The Marxist-Leninists have a responsibility to attach importance to the peace sentiments and aspirations of the masses of people and stand in the forefront of the struggle in defense of world peace. The Chinese people as well as the people of the world hope to increase their mutual political, economic, and cultural relations and friendly exchanges in a peaceful international environment in order to promote the progressive cause of mankind. Taking the safeguarding of world peace as the primary objective of China's foreign policy is not only a necessity for our country to carry out the socialist modernization program but also our bounden internationalist duty. It is in keeping with the fundamental interests of the people of China and the rest of the world.

II

In the past three decades and more, China has made unremitting efforts to safeguard and consolidate world peace, to ease international tension, and to eliminate the threat of a world war.

It is precisely from the basic stand of pursuing a peaceful foreign policy that China has proposed and persistently implemented the five principles of peaceful coexistence in handling its international relations. Three decades ago, at the proposal of Premier Zhou Enlai, China jointly proposed with India and Burma to take the five principles of peaceful coexistence as basic principles for guiding international relations. China persists in developing relations with the rest of the world on the basis of these principles. Now, China has established diplomatic relations with 129 countries, entered into commercial relationships with 179 countries and regions, developed cultural exchanges with more than 130 countries and regions, joined many international organizations, and developed nongovernmental international relationships in various fields. Acting in strict accordance with these five principles, China does not have a single soldier in a foreign country. It will never seek any foreign bases. Neither will it cherish any ambitions for the territories of other countries. Only when others impose aggressive wars on

us are we forced to fight in self-defense. We never threaten others and, at the same time, oppose any external aggressions and threats.

We also vigorously maintain that all countries in the world should abide by the five principles of peaceful coexistence. At the Bandung Conference held in 1955, Premier Zhou Enlai made outstanding contributions to the success of the conference by holding aloft the banner of unity in the struggle against imperialism and upholding the principle of seeking common ground while resolving differences and of reaching unanimity through consultation. The five principles of peaceful coexistence were also further extended and developed in the conference and became 10 principles for promoting world peace and cooperation. In November 1956, the Chinese Government issued a statement on relationships between socialist countries, stressing that it is even more necessary to build mutual relationships between the socialist countries on the basis of the five principles of peaceful coexistence. Now, the five principles of peaceful coexistence have been extensively accepted in the international community as a basic criterion for handling the relationship between one country and another. They are playing an important role in safeguarding world peace and international security.

Imperialism and hegemonism frequently pay lip service to peace in order to cover up their aggression against and domination of the Third World countries. They often frenziedly engage in arms expansion and war preparations in the name of "detente." We have consistently opposed this resolutely. We expose their sham detente precisely because we want to achieve genuine peace. This does not in the least mean that China needs international tensions, still less does it mean that we want to gain something from the conflict between the superpowers.

We have consistently opposed the creation of international tensions by imperialism and hegemonism. We always maintain that solving international disputes through negotiations is the correct way to handle international relations. We took an active part in the Geneva Conference in 1954 and made contributions to the restoration of peace in Indochina. We took an active part in the Geneva Conference on Laos held in 1961 and to bring about the Geneva agreement on respecting the independence and neutrality of Laos. Since the restoration of China's legitimate rights in the United Nations, we have never spared our efforts in easing international tensions and safeguarding world peace either in the United Nations or in various international activities. World peace is inseparable and the security and interests of the peoples of all countries are closely bound up with one another. We maintain that the Soviet Union and the United States should also ease the tension between them because any deterioration in the relationship between the two superpowers can only increase the danger of war and will never be of benefit to the peoples of all countries in the world.

In an effort to safeguard world peace, China has consistently opposed hegemonism. Contention for world hegemony between the superpowers is the source of international tension. It will be impossible to safeguard world peace without opposing hegemonism. We maintain that, in the face of aggression and threats by imperialism and hegemonism, the peoples of all countries

should wage a resolute struggle against them and should never be indulgent toward them. Facts prove that only through struggle can we force imperialism and hegemonism to retreat and genuinely ease international tension. The Chinese people have always vigorously supported the oppressed countries and nations in their struggle to win and safeguard national independence. This struggle has disrupted the war arrangements of imperialism and hegemonism and promoted the development of the international situation in a direction beneficial to world peace and human progress. We shall never give up our stand on opposing hegemonism.

As an Asian country, China is particularly concerned about peace and stability in the Asia-Pacific region. At present, there are two "hot spots" in this region: Vietnam refuses to withdraw its troops from Kampuchea in flagrant opposition to the resolutions of the UN General Assembly and the declaration of the International Conference on Kampuchea; the Soviet Union wantonly tramples upon the independence and sovereignty of Afghanistan by persisting in its armed aggression against Afghanistan. This has seriously threatened peace and stability in this region. We are in favor of a political solution to the Kampuchean and Afghan issues but this can only be achieved after the aggressor troops have all been withdrawn from Kampuchea and Afghanistan. The struggle against the aggressors waged by the Kampuchean and Afghan peoples for the restoration of freedom and independence is a just one. They have naturally won the sympathy and support of the great majority of countries and peoples in the world. We shall not stop our support for the just struggle of the Kampuchean and Afghan peoples unless the acts of aggression against Kampuchea and Afghanistan are stopped. This is necessary to safeguard peace and security in the Asia-Pacific region and the rest of the world.

At present, the most serious threat to world peace comes from the arms race between the two superpowers, particularly the ever-escalating nuclear arms race. They possess huge nuclear arsenals and make every effort to prevail over each other. Not only do they energetically develop various strategic nuclear weapons but they are also vigorously developing and manufacturing numerous new types of conventional weapons. In recent years, they have also expanded the scope of the arms race to various new fields, such as outer space weapons and new types of strategic defensive weapons, thus unfolding the arms race at a higher level. The two superpowers put forward so-called new disarmament proposals every year but they take a big step forward on the path of arms expansion every year in a vigorous effort to achieve military superiority over each other in all fields. Because of the unprecedented destructive power of nuclear weapons, the escalation of this nuclear race is pushing mankind to the brink of disaster. By criticizing and exposing the superpowers' sham disarmament and genuine war preparations we can urge the people of the whole world to heighten their vigilance and to rise heroically to put a stop to this dangerous trial of strength.

Striving for genuine disarmament constitutes an important component of our efforts to safeguard world peace and international security and China has always played an active role to this end. China is concentrating its energy on the socialist modernization program. China is unwilling, and it would be

impossible for China, to take part in the arms race. China has been forced to possess a small quantity of nuclear weapons. This is a defensive measure taken with the aim of opposing military threats, breaking the nuclear monopoly and nuclear blackmail, and finally eliminating nuclear weapons. In his "Government Work Report" Premier Zhao Ziyang systematically expounded China's stand and view on the disarmament issue, reflecting China's positive attitude on struggling perseveringly to prevent another world war. As a nuclear power, China is willing to assume a responsibility for nuclear disarmament. However, everybody knows that the Soviet Union and the United States possess the biggest nuclear arsenals. The nuclear weapons in their own hands account for more than 95 percent of the total number of nuclear weapons in the world. They have posed a serious threat to world peace and security by frenziedly engaging in the arms race. And it is only the two of them that have the capability to wage a great nuclear war. For this reason, the two superpowers, the United States and the Soviet Union, should take the lead in carrying out large-scale disarmament. This is a fundamental principle for disarmament and also an important indication for judging whether it is possible to carry out genuine disarmament.

III

It is a fact that the danger of another world war still exists. It is necessary for us to tell this fact to the masses of people so that it can attract the people's attention and heighten their vigilance. In the meantime, we should also clearly understand that the peoples of all the countries in the world are neither powerless nor in a state of inertia in the face of the war threat. The factors restricting the danger of another war have also grown day by day and the forces in defense of world peace are constantly growing. The great majority of the people in the world desire peace and so there are good prospects for achieving peace.

The emergence of the Third World is one of the most important events since World War II. Over the past years, the Third World countries have strengthened unity and fought side by side in the struggle against imperialism, hegemonism, and colonialism. They have constantly displayed their might and have become an important force in safeguarding world peace and propelling history forward. The painful history of two world wars, the poignant misery brought to the Third World countries and peoples by the innumerable wars of aggression after the war, and the current fierce contention for strategic resources and areas in the Third World countries by the two superpowers enable the Third World countries and peoples to understand more clearly the importance and value of safeguarding world peace. Many Third World countries are devoting themselves to developing their national economies, speedily changing their state of poverty and backwardness, and striving to consolidate their hard-won political independence with economic independence. They urgently need a long-term and peaceful international environment. We desire peace and not war. This has become the common voice of the peoples of the Third World countries.

The struggle of the Third World countries against hegemonic aggression and interference in the "hot spots" is dealing a heavy blow at the ambition of

the superpowers for world domination. The heroic Afghan and Kampuchean peoples have upset the Soviet strategic plan for expanding to the south by resisting the Soviet and Vietnamese aggressor troops. The struggle of the peoples of various Arab countries and the Palestinian people against the U.S. support for Israeli aggression and expansion, the struggle of the Namibian people for national independence, the struggle of the countries and peoples in southern Africa for national security and territorial integrity, and the struggle of the Latin American peoples against foreign interference have also checked the aggressive and expansionist activities of the superpowers. Some international and regional organizations, such as the Non-aligned Movement, the Organization of the Islamic Conference, the Organization of African Unity, the Arab League, the Association of Southeast Asian Nations, and the regional organizations in Latin America, have also made positive contributions to the noble cause of safeguarding world peace, defending national independence, and promoting economic development and have changed the situation in which the superpowers can willfully mold the destiny of the world.

The massive peace movements which have sprung up vigorously since the 1980's in Europe, Japan, and many other countries are a positive factor in preventing the superpowers from launching a new world war. It reflects the strong aspiration of the peoples of various countries to oppose the nuclear arms race and the threat of nuclear war and to seek peace and disarmament. From the winter of 1980 to October 1981, mammoth demonstrations demanding nuclear disarmament were staged one after another in some big West European cities, the number of participants totaling 2 million. In the second half of 1983, following the deadlock at the Geneva talks on medium-range nuclear weapons between the United States and the Soviet Union, the antinuclear peace movement which swept through Western Europe rose higher. In only 1 week, from 15 to 22 October, the number of people participating in the demonstrations exceeded 2 million, which has rarely been seen in the history of Western Europe in either scale or momentum. The participants of the movement are not only multitudinous but also include almost all social strata, with youths comprising the majority. Although the organizations and people taking part in the movement had different backgrounds, motives, and views, the principal aspect of the movement reflected the just aspirations of the people of various strata for peace and not war. This is a major event warranting our attention in the political life of the world today. As for the plots of the superpowers to make use of the best intentions of the people to attain their selfish interests, the broad masses of people will gradually see through them.

The hegemonic acts of the superpowers have not only encountered the opposition of the peoples of their own countries and the rest of the world but also incurred the dissatisfaction of their allies. The two superpowers have their own difficulties and their capabilities to control the international situation are being constantly drained. And this trend is still developing. The superpowers have to think twice before launching a full-scale nuclear war.

In his report to the 12th CPC National Congress, Comrade Hu Yaobang pointed out: "The most important task for the people of the world today is to oppose

hegemonism and safeguard world peace. Due to the rivalry between the superpowers, the danger of a world war is growing ever greater. However, experience shows that the people of the world, by persevering in the struggle, can upset the strategic plans of the superpowers. World peace can be safeguarded provided the people truly unite and fight resolutely against all expressions of hegemonism and expansionism." This is a correct conclusion drawn from dealing with a new world war. At the same time, it has also pointed out a correct path to defend world peace and prevent a world war.

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THE FIVE PRINCIPLES OF PEACEFUL COEXISTENCE--THE FUNDAMENTAL NORMS FOR MODERN INTERNATIONAL RELATIONS

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[Article by Sun Lin [1327 2651]]

[Text] The five principles of peaceful coexistence, namely: mutual respect for territorial integrity and sovereignty, mutual nonaggression, noninterference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence, first appeared in the preface to the "Agreement on Trade and Communications Between Tibet Area of China and India" signed between China and India on 29 April 1954. Former Chinese Premier Zhou Enlai and former Indian Premier Nehru issued a joint declaration on 28 June of the same year, restating the five principles as the ones guiding relations between the two countries. The premiers of China and Burma also issued a joint declaration on 29 June of the same year, affirming the five principles as guiding relations between the two countries. Soon after that, the five principles were repeatedly affirmed not only in bilateral documents signed by China and India respectively with many Asian and European countries but also in many international documents, at many international conferences, and in many speeches by political leaders. As a Western scholar pointed out: "Different political leaders quoted these principles on different occasions, at the Geneva conference on the Indochinese issue, at the Bandung Asian-African Conference, and at the Moscow meeting of communist parties to mark the 40th anniversary of the Bolshevik revolution"; "the five principles have been accepted by many governments in the world"; "and have become one of the best-acclaimed concepts of the modern time."¹

1. The Five Principles of Peaceful Coexistence Were a Product of Significant Changes in International Relations

The five principles of peaceful coexistence, as the fundamental norms governing international relations, have received an extensive and enthusiastic response in the international community, especially among independent nation states in Asia, Africa, and Latin America. The basic reason is that these principles, as a product of significant changes in modern international relations, meet the needs of the objective development of history.

In the wake of the rise and development of bourgeois revolution in Europe, modern international law emerged to meet the needs of capitalist development.

The principles of territorial integrity, sovereignty, equality between states, noninterference in the internal affairs of others, and so on which were proclaimed in modern international law showed an antifeudalist tendency and represented the progressive trend in history. However, so-called traditional international law, which was regarded as a "product of the Christian civilization of Europe," showed its obvious limitations since it took shape. The rising bourgeoisie proclaimed its demands for liberty and equality in opposition to the feudal hierarchy to be universal human rights transcending countries and made this demand a basic starting point of its conception of politics and law of which international law is a part. However, as Engels pointed out, the U.S. Constitution "first of all recognized human rights, but, in the meantime, endorsed the slave system for colored races that existed in the United States."² The 1791 Constitution of France, which included the "Declaration of the Rights of Man and the Citizen," stipulated in explicit terms: "This constitution is not applicable to French colonies and territories in Asia, Africa, and Latin America." The so-called "nations of non-Christian civilization" were not covered by international law. During the period when capitalism was developing into imperialism, international law was enriched with some principles, provisions, rules, and regulations conforming to the developing situation, for example, "so-called legitimism, the Holy Alliance; the so-called protectorate, and sphere of influence; the so-called legal intervention and peaceful blockade; the so-called consular jurisdiction system, concession, and leased territory, and so on."³ Thus it can be seen that the so-called traditional international law bears lots of colonialist and imperialist coloring. Some Western scholars also admitted that this was "an international law for a world ruled by Europe and for European colonialism."⁴ "By the 20th century, most of the Asian and African countries and nations submitted themselves to the jurisdiction of the international law only on an unequal basis."⁵ Some Third World countries pointed out sharply: "This international legal order, with the relations between different colonialist countries guiding their operations of carving up the new world as its precondition, was specially established for the colonial power structure."⁶

Today, modern international relations have undergone significant changes. The disintegration of the world's colonial system and the rise of independent nation states were a basic feature of the changes in the international situation since World War II. The vast number of independent nation states had been oppressed and exploited by colonialism and imperialism for many years. All of them were faced with the historic mission of rooting out the remnants of colonialism, developing the national economy, and safeguarding national independence. They strongly called for defending their sovereignty and territorial integrity, opposed any external interference and aggression, and longed for a peaceful and safe international environment. They resolutely opposed colonialism, imperialism, and various forms of hegemonism, and were ready to coexist peacefully, be on good terms, and cooperate with all countries on a new basis in the real interests of international justice and social progress. Obviously, traditional international law could no longer meet their needs. Therefore, they wished to formulate some principles of international law to meet their needs and to guide the new international relations, demanding the purposeful revision of

international law to keep up with the new circumstances of the postwar international community. Hundreds of millions of people of the independent nation states which had cast off the yoke of colonialism strongly demanded the reform of the old international order and the establishment of international relations based on new principles. It was under such social and historical circumstances that the five principles of peaceful coexistence were put forth.

2. The Five Principles of Peaceful Coexistence Were the Development of the Basic Principles of Modern International Law

The five principles, which intensively reflected the independent nation states' common desire to establish and develop international relations, were the development of the basic principles of modern international law.

Some people may ask the question: How can the five principles be regarded as a new development since most of them were included in international law? Those who hold such a view have looked only at the surface of things.

First of all, the five principles added some concrete content to some of the most important principles of traditional international law, enabling them to reflect the features of the new era. As we have mentioned above, the principles with a positive nature originally included in traditional international law showed obvious limitations when they were taking shape. Later in the course of the development of international law, these principles were constantly misinterpreted in different ways, examples of which were the concepts of "absolute sovereignty," "limited sovereignty," "intervention in accordance with rights," "humanitarian intervention," and so on. Some important principles of international law badly needed to acquire some new meanings so as to keep abreast with the needs of the times. And it was under such circumstances that the five principles were put forth.

It is quite common that some principles, though identical in form, are not simply copies of their precedents. And it is also a common phenomenon in history that a single term has a few different meanings. Engels made a vivid comment on the problem of law in England after the bourgeois revolution: "English law continues to express the economic relations of capitalist society in that barbarous feudal language which corresponds to the thing expressed, just as English spelling corresponds to English pronunciation (a Frenchman said: You write London, but you pronounce it as Constantinople)..."⁷

In advocating and implementing the five principles, independent nation states added some definite content to some of the most important principles of international law, restored and reiterated the democratic components of these principles and supplemented them with the new content that was widely accepted by the international community, thus enabling them to gear still better to the needs of the changed international relations of the present. Why was this note a development?

Furthermore, the five principles developed or put forth some new principles which had never been included in traditional international law, such as the principle of equality and mutual benefit and the principle of peaceful coexistence. Zhou Gengsheng, a Chinese scholar specializing in international law, pointed out: "The principle of equality and mutual benefit, with two things combined in one, can be regarded as a landmark in the development of the principle of equality in international law."⁸ In general, modern international law only recognizes equality as a legal form (of course, this is necessary). However, given the wide gap between big and small nations, between the strong ones and the weak ones, and between the rich ones and the poor ones, mere equality as a legal form usually cannot guarantee the legitimate rights of independent nation states. Only equality which guarantees mutual benefit is real equality. And only by treating each other really equally and by respecting each other's rights and interests can we guarantee mutual benefit. This principle enables the concept of equality as defined by law to guarantee real equality more efficiently and ensures fair and reasonable treatment to all countries despite their different conditions. The principle of equality and mutual benefit based on which friendly and cooperative relations are built is certainly a new principle guiding modern international relations which reflects the concept of equality adopted by newly independent states. And also, the principle of peaceful coexistence has been widely recognized as an important new principle of modern international law.

Lastly, that the five principles combine some of the most important principles of international law into an inseparable package is a matter of special significance. "Compendious and logically well-knit, the five principles of peaceful coexistence form an organic whole. The first principle is the basic one and the others are extensions as well as guarantees of the first principle. All the five principles are related to and complement each other."⁹ Some people hold that the five principles are nothing but ambiguous "political slogans" without precise legal definitions. In fact, some provisions in the old international law are tedious, clumsy, and obscure, and there are also traps in these provisions. All these are exactly the shortcomings of old international law. On the contrary, the five principles, as the "code" of the basic norms governing the behavior of states, provide concise criteria to judge between right and wrong; and this is exactly one of the major strong points of the five principles.

3. Our Country Is the Active Supporter of and Loyal Executor of the Five Principles

The initiation, implementation, and development of the five principles were great contributions by the independent states of the Third World to the contemporary international relations and international law. Our country played a positive role and did its share in the common effort.

First of all, our country contributed to the initiation of the five principles and publicized them at the Bandung Conference. The idea of the five principles was initiated by the late Premier Zhou Enlai at the Sino-Indian talks held on 31 December 1953. Our country later officially put

forth the five principles together with India and Burma respectively. The Chinese delegation to the 1955 Bandung Conference worked very hard to make the five principles the conference's guiding principles to be endorsed by more countries. And, in particular, when some delegations, though agreeing to the five principles, felt it inappropriate to insert them intact into the manifesto of the conference, Premier Zhou Enlai suggested on his own to expand the five principles into ten principles and took an active part in drawing up the ten principles. A Western scholar said: "Zhou Enlai made every effort, inside and outside the conference hall, to persuade those colleagues who had doubt on the Chinese Government's proposal on peace. He himself was the very delegate who suggested replacing the principle of 'peaceful coexistence' with that of 'getting on well with each other at peace.'"10

Second, the Chinese Government has practiced the five principles for years. Our government has consistently adhered to a policy of peaceful diplomacy. We not only reiterated the five principles in some joint documents and various treaties signed between China and many Asian and African countries in the 1950's but also consistently followed and adhered to the five principles ever since in handling international relations. We have jointly reiterated or affirmed these principles with more and more countries. In the Shanghai Communiqué and the communiqué on the establishment of diplomatic relations between China and the United States, as well as in the Sino-Japanese joint declaration and the "treaty of peace and friendship," these principles were affirmed. As for our relations with the Soviet Union, our country also sincerely hopes that the Soviet side will take action to remove the serious obstacles so as to enable the relations between the two countries to be normalized on the basis of the five principles.

Third, our country put forth some new principles as a step toward developing the five principles. During his visit to 14 countries in 1963 and 1964, Premier Zhou Enlai put forth the five principles guiding China's mutual relations with African and Arab countries. This was a specific application and development of the five principles of peaceful coexistence. It should be particularly pointed out that China initiated the principle of opposition to hegemonism and integrated it with the five principles of peaceful coexistence. In his speech to the Sixth UN Special General Assembly, Deng Xiaoping, head of the delegation of the Chinese Government, said: "We maintain that the political and economic relations between different countries must be based on the five principles of peaceful coexistence, namely, mutual respect for territorial integrity and sovereignty, mutual nonaggression, noninterference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence. We oppose any attempt by any country to violate these principles, to seek hegemony, and to build its sphere of influence in any area." The principle of opposition to hegemonism was affirmed or reiterated in joint documents signed between China and Japan, France, and other developed capitalist countries, as well as between China and such Third World countries as Mexico, Cameroon, Thailand, and Burma. With respect to the economic and technological cooperation and cultural cooperation between China and other developing countries based on the principle of equality and mutual benefit, Premier Zhou Enlai also put forth

the eight principles on Chinese aid to foreign countries during his visit to 14 countries in 1963 and 1964. As for the establishment of a new international economic order and the development of South-South cooperation, China also put forth quite a few new ideas and principles which have drawn the world's attention. At the Cancun meeting held in October 1981 in particular, Premier Zhao Ziyang put forth the principle on the establishment of a new international economic order. Furthermore, during his visit to 11 African countries, he also put forth the four principles of "equality and mutual benefit, emphasis on practical results, diversity in form, and common development," as guiding economic and technological cooperation between China and African countries and other Third World countries. Both the principle of establishing a new international order and the four principles are of far-reaching significance.

Thirty years have passed since the five principles of peaceful coexistence were initiated. Today, the tense and turbulent international situation is being aggravated, the scramble between the superpowers is being escalated, the arms race is being intensified, and the political independence and economic development of medium-sized and small nations and international peace and security are faced with serious threats. Under such circumstances, it is necessary to reaffirm and emphasize the principle of peaceful coexistence so as to ensure that all countries can get on well in peace and enter into friendly cooperation, whether they have different or identical social systems, whether the gap between their economic development level is wide or narrow, and whether they have different or similar historical and cultural traditions. This is of great significance to safeguarding world peace and promoting international cooperation. As Premier Zhao Ziyang pointed out in his government work report presented to the Second Session of the Sixth NPC: The five principles of peaceful coexistence not only apply to relations between countries with different social systems but also to relations between countries with identical social systems including socialist countries. Facts have proved and will continue to show that countries with different social systems can get on well and enter into friendly cooperation as long as the five principles of peaceful coexistence are followed, and that there will be sharp confrontation or even conflicts between countries with identical social systems if they violate the five principles of peaceful coexistence. The key factor affecting relations between two countries rests on whether the two sides can strictly adhere to the five principles of peaceful coexistence. We believe that the five principles of peaceful coexistence and the new-type international relations built on this basis will have greater and still deeper influence on contemporary international life as time goes by.

FOOTNOTES

1. R. (Filfield) [5481 5481 1422 1795]: "The Five Principles of Peaceful Coexistence," AMERICAN INTERNATIONAL LAW JOURNAL, 1958 issue, Vol 52, pp 504, 505, 508.
2. "Selected Works of Marx and Engels," Vol 3, p 146.

3. "International Law" compiled by Wang Tieya, p 13.
4. Quoted from Wang Tieya: "The Third World and International Law," "Annals of International Law of China," 1982 issue, p 19. For the original text, see "The Attitude of Asian, African, and Latin American Countries Toward the Traditional International Community and Its Law."
5. A. (Fidderos) [5481 1795 5012 2448], et al.: "International Law," Chinese edition, p 115.
6. The working document presented by the Philippine representative to the 34th UN General Assembly on 2 November 1979.
7. "Selected Works of Marx and Engels," Vol 3, p 395.
8. Zhou Gengsheng: "International Law," Vol 1, p 213.
9. "International Law" compiled by Wang Tieya, p 82.
10. R. (Filfield): "The Five Principles of Peaceful Coexistence," AMERICAN INTERNATIONAL LAW JOURNAL, 1958 issue, Vol 52, p 505.

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LABORERS ARE MASTERS OF SOCIALIST ECONOMY OF PUBLIC OWNERSHIP

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[Article by Li Guangyuan [2621 0342 0337]; passages within slantlines published in boldface]

[Text] The socialist system of public ownership of the means of production is in actual fact the system of joint ownership by united individual laborers. The laborer is the owner of the means of production, not the owner in the /private/ sense, but rather the owner in the sense of /joint ownership/ along with all the other laborers, thus he or she is the joint owner. I believe that this concept should be researched carefully and then propagated widely, and this article offers the reader a few initial ideas relating to this subject.

The Nature of 'Joint'

The laborer's position as joint owner of the means of production represents a rejection of the system of private ownership and in particular the capitalist system of private ownership. In the capitalist system of hired labor, workers are merely the medium of the labor force and within the entire process of production, their only social function is labor and the provision of surplus value for the capitalist. The workers have no rights or powers in production distribution since the products do not belong to them and the only thing they get from the capitalist is the price of the labor they sell. Their consumption is only for the purpose of the reproduction of labor.

During the time of Marx and Engels there were some petit bourgeois socialists and anarchists who proposed that every laborer should become the private owner of the means of production which he or she used and that in this way it would be possible to change the destiny of hired laborers. Marx and Engels criticized this vacuous and reactionary idea, which ran counter to the developmental requirements of large-scale socialized production, and pointed out that the development of the productive forces determined which path history must take, namely a rejection of the capitalist system of private ownership and the establishment of a communist system of public ownership. Upholding the vacuous and reactionary petit bourgeois ideas, the anarchists retorted that this would result in "society rising to become the highest owner" so that the individual "would be plundered and robbed for

the second time" and thus all adult members of society "would become beggars and vagrants." ("Collected Works of Marx and Engels," Vol 3, pp 225-226) Hence the founders of Marxism needed to respond to this question: Does the communist system of public ownership actually mean that the individual laborer is "robbed for the second time," or does it mean that the means of production stolen by the capitalist are returned to the laborer? In other words, is the individual laborer the owner of the publicly owned means of production, or is he or she still another nameless laborer?

Marx and Engels' answer was: The implementation of a communist system of public ownership in which every laboring individual becomes the owner of all the means of production, in other words a joint owner of the means of production, is the only way in which the individual laborer can free himself from capitalist relations and achieve comprehensive development.

In the first chapter of "The German Ideology" Marx and Engels gave a detailed explanation of the basic principles of their newly discovered historical materialism, and on this basis they went on to provide a thorough explanation of the inevitability and essential nature of the communist system of public ownership and the relationship between its realization and the individual laborer. They said that under the capitalist style of production, "the only link that still existed between" the individual laborer "and the productive forces" was labor. Development of the productive forces indicated the road to be taken in order to change this situation, namely that "each individual must possess the sum total of the present productive forces." However, this possession should not be private possession since "the target of this necessary possession," namely the socialized productive forces, determined that this "possession could only be achieved through linking up and unity." "Possession of the sum total of the productive forces by unified individuals destroys the system of private ownership." ("Collected Works of Marx and Engels," Vol 3, pp 75-77)

In their later works Marx and Engels explained many times the idea of individual laborers linking up to possess the means of production. In the "Manifesto of the Communist Party" they referred to the system of public ownership of the means of production which would be implemented after the victory of the proletarian revolution as "the transformation of capital into the public property of every member of society," and "the concentration of all production in the hands of united individuals." ("Selected Works of Marx and Engels," Vol 1, pp 266, 273) In his work "The Civil War in France" Marx said that the Paris Commune "wanted to change such tools as the means of production, land, and capital, which at that time were mainly being used to enslave and exploit labor, into tools of free collective labor so as to achieve individual rights of ownership." ("Selected Works of Marx and Engels," Vol 2, p 378) Clearly, the "individual rights of ownership" of which he wrote here do not imply individual rights of private ownership, but rather the joint rights of ownership of the united individual laborers. "Das Kapital" also discusses the question of the "reestablishment of the system of individual ownership" when it says: "The capitalist mode of possession and the capitalist ownership emerged from the capitalist mode of production is the very first denial of individual private ownership based

on one's own labors. However, because of the inevitability of natural processes, capitalist production has created a denial of itself. This is a denial of the denial. This denial is not the reestablishment of the system of private ownership, it is the reestablishment of the system of individual ownership on the basis of the successes and achievements of the capitalist period; in other words, on the basis of coordination and the joint possession of land and the means of production produced by reliance on labor itself." ("Collected Works of Marx and Engels," Vol 23, p 832) In "Economic Handbook 1861-1863" there is one section which may be seen as an explanation of this idea. Marx wrote that the "division between the system of ownership and labor" under capitalism "is a necessary transitional phase in the transformation of the production-conditioned system of ownership into the /system of public ownership/, the capitalist's /alien system of ownership/ of labor can only be destroyed by changing his system into a nonisolated independent system of individual ownership, in other words, changing it into a system of ownership /by all the unified individuals of society./" ("Collected Works of Marx and Engels," Vol 48, p 21)

In their discussion Marx and Engels did not differentiate between the two stages in the form of the communist society nor did they touch on the differing forms of the socialist system of public ownership. They took society in its entirety as their sphere of reference and envisaged all workers uniting together to take joint possession of all the means of production. Thus these theories and ideas cannot replace our concrete analysis of the various different forms of the socialist system of public ownership to be seen in reality. However, their repeated conclusion of "joint possession by united individual laborers," put forward as one of the basic traits of the communist system of public ownership, and hence applicable to all the various forms of public ownership in all the stages between socialism and communism, represents the common essential nature of all of these various forms and styles.

We can say that socialist state-ownership and collective ownership are essentially systems of joint ownership by the united individual laborers, because production under these two forms of ownership entirely and, moreover, only serves the will and interests of the united individual laborers and not the will or interests of any other individuals, groups, or class.

First of all, the ultimate aim of production is to satisfy the needs of the united individual laborers. Not only are products which are directly used for the consumption of individual laborers manufactured to this end, but, in addition, products used to maintain and expand production and to satisfy other common needs are also, in an ultimate sense, aimed at guaranteeing and promoting the welfare and development of the entire body of individual laborers. This aim of production not only determines what is and what is not produced, it also determines how things are produced and it requires that the production process and working conditions favor as much as possible the physical and mental health and development of the individual laborers.

Second, the entire production process is managed in accordance with the common will of the individual workers and through their unity. Here there is no room for any other persons, groups, or classes. As a result of the /joint management/ by the /united/ laborers, there is always an objective need for specific bodies and personnel to centralize and represent their common will and to implement joint or common management. The personnel in these bodies are in no way "other people," rather they are representatives and public servants from within the ranks of the laborers who have been procedurally selected. Hence every individual laborer's subordination to management is not subordination to other people, it is subordination or obedience to their own collective. In fundamental terms this subordination is in total harmony with the individual laborer's freedom, because just as Marx and Engels said: "In a real collective situation (the socialist state and the collective are both real collective situations of which Marx and Engels wrote--Editor's note), every individual gains freedom in unity through this very unity." ("Collected Works of Marx and Engels," Vol 3, p 84) Without subordination there can be no unity and thus no freedom.

Third, all products of labor are under the joint ownership of the united individual laborers and their distribution is carried out in accordance with the common interests and will of the united laborers. There is no single product which belongs to or is distributed to others, exploitation does not exist. How much of the total products of labor can be used to satisfy the consumer demands of the laboring individuals is no longer restricted by the cost of reproduction of the labor force. Marx' idea of "liberating the portion of the workers' individual consumption from the confines of capitalism and on the one hand expanding it to represent the existing productive forces in society (and this means that the laborers' work is seen as the social productive forces within existing social labor), and on the other categorizing it as individual and fully developed necessary consumption" ("Collected Works of Marx and Engels," Vol 25, p 990) has become a principle which the socialist system of public ownership strives to practice. Distribution according to labor and laborers' purchase of products in no way implies, in the period of socialism, that the distribution of the products of labor is carried out with the laborers on one side and the state or the collective on the other, in other words a relationship of buying and selling between these two kinds of owners, because the individual laborer does not sell his labor to his own country or collective.

Formal Differences

What was discussed above was the /common/ nature of the socialist system of state ownership and collective ownership. So how should the differences between these two forms of public ownership be regarded? One school of thought proposes that only in the system of collective ownership is the individual laborer the common owner and master of the means of production and that under state ownership the laborer does not have this position. I believe that this is incorrect and furthermore its logical conclusion denies the dominant position of the laborer in all forms of public ownership.

The system of state ownership arises out of state political power, under the leadership of the proletariat, using methods of forceful confiscation or peaceful purchase to return the means of production, which originally belonged to the exploiters, to state ownership. The system of collective ownership arises out of the organization of cooperatives and in it individual laborers link up the means of production which originally were under individual private ownership and, through a series of transitional stages, gradually transform them into collectively owned means of production. The later process /at the outset/ has the following few characteristics: First, every laborer was previously a private owner of part of these means of production and the joining up of the means of production does not represent a plundering of their private ownership, but is simply an amalgamation of decentralized private ownership rights so that each individual becomes the common or joint owner of the means of production. Hence, second, at first they still all draw corresponding compensation (such as dividends) according to the proportion that each individual's previously privately owned means of production represents within the collective economy. Third, they still retain the right to withdraw their original (or the equivalent) means of production and leave the collective. These characteristics permit people to see very clearly and easily the common ownership of their collective means of production. Such characteristics as these are clearly not found in the system of state ownership, but these characteristics /are not/ part of the essential nature of the socialist system of public ownership, that is, the system of common or joint ownership by the united individual /laborers/, rather they are characteristics of the "joint ownership" of united /private owners/. This form of private owners' "joint ownership" already exists in capitalist society. The organization of cooperatives and stock companies in capitalism illustrates just these characteristics. What were linked up and united during the movement to organize cooperatives in China were the individual laborers of the socialist society under the leadership of the working class, and this is fundamentally different from the cooperatives and stock companies under capitalism. However, the individual laborers have a dual capacity: on the one hand they are laborers and on the other they are private owners. The above-outlined characteristics are the product of their unity as private owners. The early cooperatives, implemented during the first stages of the organization of agricultural cooperatives in China, could only be called "semi-socialist" because, in addition to their uniting the laborers and organizing distribution according to labor, they still retained such features as the shareholding and distribution of land and other means of production. The difference between the unity of the laborers here and other forms of joint ownership by private owners was in the fact that they united /laborers/. As production developed, the proportion of the means of production accumulated through joint labor increased continuously and thus the means of production which each individual originally brought to the cooperative or collective was gradually consumed in material terms, while in terms of value the individuals were gradually reimbursed and compensated through various different forms of compensation. Hence the features of private ownership within the collective gradually diminished and were finally eliminated and thus this unity, in the form of a cooperative or collective, grew into a full-fledged socialist form of collective ownership, in other words a system of joint ownership by united /laborers/. From this

we can see that we cannot use the above-mentioned characteristics to explain the difference between the /laborers' system of collective ownership/ and the system of state ownership.

So how should we tackle the difference between the system of collective ownership by united laborers and the system of state ownership? State ownership is the system of joint or common ownership by laborers united throughout all of society. However, the system of collective ownership is the unity of some laborers on a much smaller scale and every collective is an independent ownership unit. The economy of state ownership and every one of its enterprises (an enterprise is not an independent ownership unit) must serve all of the individual laborers united throughout all of society and must embody the interests and will of all the laborers. Thus the sphere of activities of the state-owned economy must be much wider than that of the collective economy, and its content far more complex. In the view of some individual laborers, some of the activities of the state-owned economy appear to be very far removed from their own interests and demands. It is not the same as in the sphere of the collective, where everyone can easily see the relationship between every activity and himself or herself. The management personnel of the state economy represent the united laborers of the entire country and there is no management worker in any enterprise who only represents the workers of that enterprise. Because of the small scale of collective ownership, management personnel can be directly chosen from among all the laborers in the collective. On the scale of state ownership, in other words on a national scale, it is clearly impossible to do the same for every single management worker. Hence it is rather easy to forget that management personnel in the state-owned economy are acting in the capacity of public servants and representatives of the united individual laborers. If we look once again at the distribution relations of products of labor we see that in the arena of the system of state ownership, policy decisions regarding the participation of individual workers in distribution (such as policy decisions regarding increases in the proportion for individual consumption and decisions concerning the putting to use of social deductions) require far more complex and tortuous channels and procedures than in the system of collective ownership. The overall level of the individual laborer's income in the enterprise is determined far more by the possibilities provided by the development of the entire social productive forces and the requirements of the continued development of the entire socialist cause than in the collective system of ownership, where the overall level of the individual laborer's income is determined mainly by the level of production in the collective and the requirements for further development. Hence, in the system of state ownership all of the individual laborers are joint owners of the products of labor, although this is not nearly as clear at a glance as it is in the system of collective ownership. Because of all this, the management bodies in systems of collective ownership cannot in general be mistaken for the true owners, whereas under state ownership it is easy to mistake the system as being a system of state ownership (or as being "owned" by the entire state organization or being "owned" by a region or department). If these organs are seen as the true owners, then the individual laborers appear to be nothing more than laborers.

Some people elevate this error onto the theoretical plane, making this difference between the forms of the two kinds of public ownership a real difference and saying that within the system of collective ownership the laborers are "directly linked to" the means of production, are masters of the means of production, whereas in the system of state ownership, because the state acts as "intermediary" between the laborers and the means of production, the laborers are not true masters of the means of production, since there is only an "indirect link." Such a theory is very difficult to really justify.

Looking at the material production process, under any form of production, only when there is a /direct/ link between the laborers and the means of production can real productive forces be constructed and can production be carried out. However, how this link can be achieved depends on the relations of ownership. Under a capitalist system of ownership the workers do not possess any of the means of production. Only by selling their labor to the capitalists, and transforming it into a part of the capitalist's capital can they achieve a link with the means of production and begin the real production process. To call this form of link between the laborers and the means of production an indirect link clearly demands as a premise that the laborers completely lose the means of production. Under the socialist system of public ownership this premise no longer exists and hence there is absolutely no such "indirect link." As for this "intermediary," in /any form/ of public ownership, that is any system of joint ownership by the united individual laborers, there is always an integrated body which acts as "intermediary" between the laborers and the means of production, because the laborers can only make use of the public means of production to carry out production by means of and within this unity and as members of this integrated, unified body. In the system of collective ownership it is the collective which is the integrated body; in state ownership it is the state which is this integrated body. For what reason can one say that the former is direct linking and the latter is indirect linking? The collective and the state which in these two systems act as "intermediaries" are the laborers' own collective and state and not some "other people" outside the ranks of the laborers. The means of production used by the laborers are their own collective's or state's means of production; in other words, their own means of production. If this is called indirect linking then it is easy to draw the erroneous conclusion that the state and the collective are alien forces to the laborers and are capitalists. If we say that it is only possible to achieve a direct link between the laborers and the means of production without an "intermediary" and that only then can the laborers become the masters of production, then the only thing to do is to disband both state ownership and collective ownership, so that everyone becomes a private owner. But have we not returned now to the vacuous reactionary ideas mentioned at the beginning of this article and which were criticized by Marxism very early on?

Embodiment of the Essence

What was stated above, concerning the socialist system of public ownership being the system of joint ownership by the united individual laborers, represents the very /essence/ of the socialist system of public ownership.

This essence can only be embodied through the real activities of the economy of the system of public ownership. To what extent it is embodied most fundamentally depends on the condition of the production relations and their corresponding productive forces. When the socialist system of public ownership corresponds in overall terms to the developmental requirements of the productive forces, problems can crop up in which the concrete form of the system of public ownership, or some links in it, and the management system, or some aspects of it, do not suit or do not entirely suit the state of the productive forces at that time and in that place. In addition, there may also be problems in which the use of a system or setup (manifested as economic policies and economic work and so on) does not suit the actual situation regarding the productive forces. At the same time there may also be problems in which concrete systems and setups and their use do not correspond with the principles of the socialist system of public ownership. At times and in places where these problems are not well solved, the embodiment of the will and interests of the individual laborers, the joint owners of the economy of the system of public ownership, may be blocked or distorted, and at that point it is difficult for them to appreciate their position and responsibilities as masters and it is difficult to fully exploit their enthusiasm and creativity and it is thus difficult for the superiority of the socialist system to effectively manifest itself. For example, "leftist" ideological influences and lack of experience meant in the past that the concrete condition of the productive forces was ignored and instead there was a blind striving to make the form of ownership "large in size and collective in nature" and to achieve a unitary system. There was an over-emphasis on centralization in the management system, no division between government and enterprises, a creation of barriers between higher and lower levels and between different departments and regions, and a lack of autonomy in enterprises. Egalitarianism existed between enterprises and between laborers and there was a one-sided striving for production value and speed and no regard for improvements to people's standards of living. Since the 3d Plenary Session of the 11th CPC Central Committee the basic reason the reforms to the economic system and readjustments to economic policies have achieved such great successes over such a short period of time is that these reforms and readjustments have upheld the following principles: Attempts to ensure that the economic system in the socialist system of public ownership and its use correspond even more closely to the actual situation in China, embody even more favorably the position of the laborers as masters of the economy in the system of public ownership, and give full expression to their initiative as masters of their own destiny. Facts have proved that in state-owned enterprises there are two ways in which the laborers' position as masters of the economy of the system of public ownership is embodied, namely, not only through all the activities of the state-owned economy, but also through the activities of their enterprise, in other words the activities of grassroots management. As far as laborers in the system of collective ownership are concerned, their position as masters of the system of state ownership, in other words the system of ownership by the whole people, is embodied by means of all the activities in the state-owned economy, and their position as masters of the system of collective ownership is embodied through the activities organized by the economy of the system of collective ownership in which they find themselves. In a situation where a collective

economic organization is composed of several relatively independent management bodies or administrative levels (such as the present rural collective economy organizations), not only must the laborer's position as master of the collective economy be embodied through the activities of the entire economic organization, in addition it must gain embodiment through the activities of the management body or administrative level in which he or she is located. All reforms and readjustment measures are mainly designed to solve just these kinds of problems. Reforms to the national economic planning system and reforms to planning work are mainly aimed at ensuring that social production is even more suited to social requirements and at ensuring that the aims of socialist production achieve even better embodiment in macroscopic terms. Overcoming egalitarianism between enterprises and among laborers, expanding enterprise autonomy, perfecting the system of responsibility, and implementing democratic management are mainly aimed at ensuring that through their enterprise activities, laborers may come to understand even better their powers, interests, and duties as masters of the economy of public ownership. The implementation of the rural system of contracted responsibilities with payment linked to output ensures that the peasants come to understand their own position as masters of the collective economy by means of both decentralized household management and unified management of certain projects and areas in the collective economic organization.

Because of the short period of time since the implementation of the reforms and readjustments drawn up to correspond to the correct principles since the 3d Plenary Session of the 11th CPC Central Committee, there still exist a great number of negative phenomena within China's economic life which contravene the essence of the socialist system of public ownership. On the one hand, we must pay attention to and continue to work hard to solve these problems and, on the other hand, we must remain vigilant to ensure that we are not blind to these phenomena and fail to see the true essence of the socialist system of public ownership. It should be recognized that over the last 30 years, although there have been problems in our socialist construction and some serious ups and downs and twists in the road, there have always been many millions of workers, peasants, and intellectuals, including the mass of cadres, on every battlefield who have consciously handled public property, labor, and work in the spirit of masters of the state and collective. Because of this, China's socialist system has continued to manifest an enormous superiority, and growth in industrial and agricultural production over the last 30-odd years has exceeded that of the capitalist countries. Since the 3d Plenary Session of the 11th CPC Central Committee, the socialist economy has continued to advance with even firmer steps and some of the major targets and indexes for industrial and agricultural production in the Sixth 5-Year Plan completed 2 years ahead of time at the end of 1983. The masses of peasants have gained an even better understanding and appreciation of their position as masters of the land, masters of the collective economy, and masters of the state, and as a result there has been prosperous development in China's rural areas which has caught the attention of the entire world. Reforms to the urban industrial and commercial economic systems are also developing toward improved mobilization of the workers' initiative as masters of their destiny. Any enterprise which achieves successes in its reforms shares a common fundamental experience with all

others, namely that reform must ensure that workers come to a greater understanding and appreciation of their position as masters of the enterprise and of the state. The spirit of being master of their destiny displayed over the last 30 years by the many millions of workers was never possible in the old society, for the very reason that it can only be a reflection of the essence of the socialist system of public ownership.

Totally New Concepts

Some comrades are unable to see that the individual laborers are the joint owners and masters of the socialist system of public ownership, and in particular the system of state ownership, and apart from reasons of confusion over these various phenomena, there is an even deeper reason, namely, the influence of traditional concepts of private ownership. Marx said: "The system of private ownership makes us stupid and one-sided, with the result that only when something is possessed by us, in other words when something exists as capital for us, or is directly owned by us, or is eaten, drunk, worn, or inhabited by us, when, in conclusion, it is /used/ by us, it is /ours/." ("Collected Works of Marx and Engels," Vol 42, p 124) In a society under a system of private ownership this concept is a reflection of real life. People in a society with such limited vision have absolutely no way of envisaging how, apart from private ownership, there can be any other way in which a person may be the master or owner of a thing. After a society has entered the stage of socialism this concept becomes outdated. However, because of the habits and trends of thousands of years many people continue to preserve this concept. To nurse this concept while looking at the system of public ownership naturally makes it very hard to understand that each of the united individual laborers is the master of the publicly owned means of production. This concept has a very destructive influence on the socialist economy of public ownership. On the one hand, if a person who manages the economy nurses this concept, he or she cannot possibly see himself or herself as a public servant of the laboring people and thus cannot consciously serve the realization of the interests of the united individual laborers or respect their democratic rights and powers. Bureaucratism, commandism, the seeking of privileges, and the use of power to further private interests thus creeps in. On the other hand, if an ordinary laborer nurses the old concept of private ownership, he or she will see public property as the property of "others," with no relation to himself or herself, and will see labor as working for others. Thus he or she will work very slowly, and will be indifferent to waste, damage, and theft of public property, and may even take the opportunity to reap some profit. The former kind of situation tends to engender the latter, and in places where these kinds of phenomena run rampant, publicly owned enterprises can in actual fact become "unowned" enterprises, and then not only is it not possible to exploit the superiority of the system of public ownership, such enterprises are even worse than privately owned enterprises, since at least privately owned enterprises still have someone who is concerned with them. If an ideological worker cannot step out of the framework of the concept of private ownership and if he or she places the system of public ownership and the individual in diametric opposition, then he or she will continuously vacillate between the two extremes. At one time the state and the

collective will be stressed and the individual will be eliminated; at other times everything will be turned round and the individual will be stressed, with no subordination to the state and the collective, and then such ideas as "seeking money in everything," "all people are selfish" (this selfishness, in terms of economic relations, is recognition only of private ownership and a striving to increase private ownership), and other corrupt concepts are seen as permanent human nature and truth, in the belief that only by using these kinds of concepts can people's enthusiasm and initiative be stimulated. Such beliefs and propositions can represent a factual basis for the above-outlined phenomena, while on the other hand they can encourage the spread of these phenomena.

Hence, in order to consolidate and develop the socialist system of public ownership we must work hard to overcome this concept of private ownership and we must establish a /new concept/ of each individual worker being master of the system of public ownership. The establishment and development of the socialist system of public ownership requires as a material basis a suitable level of productive forces. However, if there are no /ideological conditions/ which correspond to the socialist system of public ownership and if the concept of private ownership still continues to rule people's thoughts and ideas, can the socialist system of public ownership consolidate itself and develop? Clearly it cannot. It is, naturally, a vacuous "leftist" idea to demand in this present stage of socialist development that everyone make a "complete break" with the concept of private ownership. However, if we simply shelve this task, which was put forward in the "Manifesto of the Communist Party," and simply imagine that this break will be suddenly and spontaneously achieved early one morning in the far distant future, this too is a totally unrealistic and vacuous idea. This break is an historical process and thus in this present stage of socialism we should carry out firm and steady work to gradually eliminate the concept of private ownership and establish the new concept of every laborer being the master of the system of public ownership. Communist Party members and other advanced elements, including high-level cadres and all ideological workers who carry the responsibility of educating the people, should first and foremost make this demand of themselves and then work and struggle for this aim. The objective foundation for the achievement of this change in concepts is the perfection and development of the publicly owned economy itself. The closer the concrete forms of the socialist system of public ownership, the management systems, and the economic policies all come to meeting the developmental requirements of the productive forces, the easier it is to ensure that the laborers come to appreciate, from their real activities within the publicly owned economy, their /interests, rights, freedom, and development/ as joint owners, and the easier it becomes to overcome the old concepts and establish the new ones. However, we should in no way underestimate the role of ideological education. This is an item of fundamental construction in the building of socialist spiritual civilization. Not only should economic reforms and readjustments themselves help to effectively overcome the concept of private ownership and establish the idea of being master of one's destiny, there is at the same time a need to improve ideological and political work so that the ideological education in this area becomes even more effective, for we should not let the propagation of the concept of private ownership be used as a magic weapon to stimulate enthusiasm and initiative.

Because the system of private ownership is already several thousand years old, even today it still dominates most places and populations throughout the world, whereas the system of public ownership, a new concept, always tends to have some crude and underdeveloped flaws in it and thus, as far as the majority of people are concerned, the eradication of the concept of private ownership and the establishment of the idea of being master of the system of public ownership cannot but take many years of repeated education and study. In this sense /those working in economic theory bear an enormous historic responsibility/. Marx' "Das Kapital" exposed the numerous and complex phenomena of economic life in capitalist society as well as the essence and basic nature of the capitalist system of ownership, while scientifically explaining the true position of the laborer within capitalist production relations as being that of hired slavery. This work also mobilized many millions of laborers to struggle heroically for the overthrow of capitalism. Similarly, by means of analysis of the numerous and complex phenomena of socialist economic life, the socialist part of Marxist political economics should also expose the essence of socialist production relations and scientifically explain the laborers' position as masters of the system of public ownership and thus mobilize all laborers to consciously adopt the spirit of being masters of their destiny and to struggle heroically for the construction of socialism and communism.

In 1927, the first decade after the Russian October Revolution, the Soviet people were just beginning to bring about the struggle for national industrialization, while the threat of starvation had still not disappeared. Thus, in these conditions of national construction and extreme hardship in the people's lives, the poet Mayakovski cheerfully sang the praises of the pride of the masters of the new society in the poem "Good!":

"The streets--
are mine.
The buildings--
are mine.
.....
My factories
are giving off
thick smoke.
....."

The Chinese laborers of the 1980's have far more glorious successes and far greater reason to be proud of their position as masters. The only problem is in the reforms to the economic system and the improvements to our real work and ideological work, so as to ensure that the spirit of being master of one's destiny, contained within the bodies of the millions of laborers, gains even fuller expression.

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BRIEF DISCUSSION ON 'FREEDOM FROM RESTRICTIONS'

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[Article by Niu Xinfang [3662 2946 5364]]

[Text] Since 55 factory directors and managers from Fujian jointly wrote an open letter entitled "Please Free Us From Restrictions" to the Fujian Provincial CPC Committee, appeals for "freedom from restrictions" came one after another. This has caught the attention of all quarters and has won the support of many leading cadres. Recently, the State Council promulgated the "Provisional Regulations on Further Extending the Decisionmaking Power of the State Industrial Enterprises," giving such enterprises due power in 10 aspects, including planning for production and operation.

The term "freedom from restrictions" figuratively and profoundly reflects the fact that some of our enterprises must be reformed. You want to implement the socialist principle of "to each according to his work" in real earnest, but you do not have the power to enable those who do more work to get more pay. Neither do you have the power to give less pay to those who do less work, and no pay for those who do not do any work. You want to do something big, but your partners either do not cooperate, or put up all kinds of obstacles, or even are laymen where the particular project is concerned. These are ropes that bind you hand and foot, making you unable to go full steam ahead and to march in big strides. Without "freedom from restrictions," there is no way of getting ahead. "Freedom from restrictions" alone can lead us to easy paths. Is this not a truthful reflection of the situation in many of our enterprises? "Freedom from restrictions" also figuratively and profoundly demonstrates that certain aspects of our superstructure cannot properly serve the economic base and that certain aspects of our relations of production are fettering the growth of the productive forces. "Freedom from restrictions" means delegation of power. Its essence is none other than to continuously improve the relations of production and the superstructure so as to bring about a rapid growth in China's productive forces. Our ongoing reforms cover many aspects, and "freedom from restrictions" is one of them. It means that we must make a conscious effort to reform outmoded rules and regulations that fetter the development of the productive forces and replace them with new rules and regulations that can promote the development of the productive forces.

As the saying goes, we cannot draw squares and circles without a set square or a pair of compasses. "Freedom from restrictions" does not mean forsaking all control. Rules and regulations constitute an indispensable condition for ensuring production and fulfilling targets. They are established precisely for this purpose. Once they are established, they have a part to play in the development of production. This is a dual part. On the one hand, they play a positive role. When they suit the needs of the development of the productive forces, they can ensure the fulfillment of our tasks. On the other hand, when they do not suit the needs of the development of the productive forces, they play a negative role. Some of the regulations regarding financial matters, personnel management, bonuses, and production and marketing in our enterprises had played a positive role when they were first drafted. But with the passage of time and the development of practice, some of them no longer meet our needs and have become ropes that fetter the development of the productive forces. This is a distinctive feature of all rules and regulations. It is also a general law that governs the drawing up and development of rules and regulations.

The urgency and necessity of "freedom from restrictions" is quite evident. The reason is that in terms of historical background, some of our specific rules and regulations were formulated by carrying over and learning from the experience gained in the old liberated areas, while others were formulated by assimilating foreign experience. This was a rational and necessary move at that time. But as the situation changed, some of them have become outmoded. Under the present historical conditions, in particular, we are more and more aware that some of the existing rules and regulations are playing a negative role in our endeavor to create a new situation in the four modernizations. Rules and regulations formulated under "leftist" guidelines are binding us hand and foot. If we do not reform these outmoded and unreasonable rules and regulations at once, and do not establish new rules and regulations that meet the needs of the current development of the productive forces in China, the progress of the four modernizations will be slowed down. We must change our methods in the light of changes in time, place, and conditions so that they can meet the needs of the new historical condition. This is the method of thinking and method of work that we should adopt.

"Freedom from restrictions" sounds easy enough, but it is by no means easy to achieve. The following are some of the reasons:

First, in order to achieve "freedom from restrictions," we must first emancipate our minds and free our minds from restrictions. Thinking is the vanguard of action. If our mind is not emancipated and is bound by invisible ropes, we can never truly achieve "freedom from restrictions." For example, in the eyes of those comrades who have emancipated their minds, some rules and regulations are outmoded and have become obstacles to progress. But in the eyes of those comrades who are conservative in thinking, these regulations and conventions cannot be smashed or touched. With the same object in view, a difference in the degree of emancipation of the mind will lead to two conclusions. The reason is that the former group of people observe and solve problems in a dialectical way with an eye on the course of development and changes, while the latter group of people are fettered in thinking by

rigid and ossified metaphysical ideas. Thus, emancipating the mind means freeing people's thinking from the shackles of metaphysics in order to achieve a dialectical understanding of objective things. Of course, emancipating the mind does not mean going off into wild flights of fancy. "Freedom from restrictions" only means that we should reform those rules and regulations that are not suitable for the development of the productive forces. It does not mean that we should abolish all rules and regulations. But "freedom from restrictions" is preconditioned by the emancipation of the mind. There is no doubt about that.

Second, in order to truly achieve "freedom from restrictions," we must have a strong sense of responsibility. As some leading comrades see it, because they are not the ones who imposed the restrictions, they should not be held responsible even if the rules and regulations are outmoded. Because they think that they are not in a position to impose or remove restrictions, they take an indifferent attitude toward reform. They neither object to it nor are they enthusiastic about it. In essence, this attitude shows a lack of sense of responsibility to the people's cause. It is a type of bureaucratism. The ideological cause is, in the final analysis, that these people lack the necessary understanding about reform. They are satisfied with the existing state of affairs and are not eager to make progress. They do not seek to be meritorious; they only seek to avoid blame. This mentality does not go with the current situation. If this mentality is not overcome and is allowed to take its own course, it will sooner or later end up on the opposite side of reform and become an obstacle to the four modernizations.

Third, "freedom from restrictions" is not easy to achieve because it involves a question of whether or not we are correct in removing the restrictions. If restrictions are removed where they should be removed, it is fine. But if restrictions are removed where they should not be removed, it will cause us losses. The fact that some comrades are unable to make up their mind about reform has a lot to do with this actual problem. But from our experience and tests in carrying out reforms, we do have a rough idea what restrictions should be removed now and what restrictions should be removed after appropriate measures have been taken. The important thing is that we must not forget what the leading comrades of the party Central Committee told us to do: "We are to judge the correctness or incorrectness of our reforms against these criteria: Whether they are conducive to the building of socialism with distinct Chinese characteristics, to the country's prosperity, and to the people's well-being and happiness." If we take these three criteria as our guideline in deciding what restrictions should be removed, carry out investigation, and study and turn the matter over in our mind again and again, it is not very likely that we will make mistakes in removing restrictions. Even if we do, it will not be difficult to set things right in time.

Fourth, since "freedom from restrictions" is a reform of some sort, it is bound to touch on the interests of some people. There are bound to be people who voice objections in various ways. Some people will pledge their support for "freedom from restrictions" although they find it annoying. They are forced by circumstances to make some gestures. They may jump from one

extreme to another, that is, they may simply let go of everything or pull the rug from under our feet. When things go wrong, they will say that this is the outcome of removing restrictions and put the blame on those who demand and support "freedom from restrictions." There are also people who spread rumors to undermine public morale. Toward this, we should make analysis. If a suggestion is correct, we may accept it; if it is not, we should explain why or simply ignore it. If our comrades dare not move an inch once they are reproached, there is no way that they can carry out reform. There is no such thing as reforms that are not censured. Reformers must have courage and insight. They must dare to "grasp the truth and sweep away all obstacles."

"Freedom from restrictions" will bring the enterprises greater decisionmaking power. The leading cadres of enterprises will be in a position to give greater scope to their initiative and enthusiasm and to strive for more economic returns in the light of the conditions in their own units. However, we should also see that "freedom from restrictions" will increase rather than reduce the responsibility of the leadership. In the past, we had a prescribed order to follow in our work. When restrictions are removed, it is imperative for us to work in a practical and creative way. It is said that people with bound feet cannot walk when their feet are unbound for the first time. Enterprises and units that are freed from restrictions will also face the same problem. The higher authorities must continue to give concrete guidance after lifting the restrictions. On the part of the enterprises and units, a lot of work has yet to be done. In short, on the question of "freedom from restrictions," we should not blame one another and dispute over trifles. Instead, we should rack our brains and work together. Starting with ourselves, we should make an effort to eliminate the pernicious influence of "leftism" and overcome bureaucratism and should take the initiative to reform everything that hampers the development of the productive forces. In this way, we can achieve gratifying results in removing restrictions. Of course, "freedom from restrictions" is only the first step, but it is obviously an important step. We still have to work very hard if we want to advance in big strides.

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VALUABLE EXPLORATORY WORK, USEFUL ENLIGHTENMENT

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[Article by Wuxi City CPC Committee]

[Text] How, in the new historical period, should we regard the position and role of ideological and political work? How can we achieve good ideological and political work? Practice in the Xiexin wool spinning and dyeing factory over the last 2 years has proved that the launching of activities aimed at making friends has helped bring about changes in backward and erring young people.

The Xiexin wool spinning and dyeing factory is an old factory with 50 years of production experience. It has more than 12,000 wool spinning spindles and it carries out the entire production process of spinning, weaving, and dyeing, employing more than 28,000 workers. During the "Great Cultural Revolution" this factory was one of the northern section of the city's strongholds in the violence and later on it became known as "calamity house," with many residual problems and strong factional influences. This caused chaos in the production order and there were constant surges of evil winds and noxious influences and constant occurrences of criminal activities in economic and various other spheres. Thus it was an old factory such as this which, after 2 years of intense and detailed ideological and political work, now presents a face and contains an atmosphere which is clearly very different.

There have been major changes in some originally very tough and difficult backward and erring young people. What was once a drinking, gambling, argumentative, irrationally hurtful human "mantis" has become the backbone of positive production, who performs meritorious services to help others and who, at the end of 1983, was chosen as one of the 10 pacesetters of the whole factory. What was once a "hairless tiger," who everyone avoided and who behaved like a hooligan, has now become the "little tiger" of production, who every month works several dozen manhours over the quota and who won first place in a technological operations competition and who, at the end of 1983, was selected as being an advanced factory worker. "The leader of the arguers" who had a picture of a woman put on his arm, went to the hospital on his own initiative for an operation to remove the picture and, "thoroughly cured," entered the ranks of the advanced young workers. There

was also the case of the "three sisters," who stole bicycles and did other bad things and who then broke with their past, and two of whom were selected as advanced factory workers. The changes in these people stimulated changes in others too, with the result that what was originally a very negative force became a very positive one. Since 1980, 43 young people who have undergone various kinds of punishment and discipline have all changed to varying extents. Of these, five have entered the league, two have done meritorious deeds, eight have been selected as active elements in the construction of socialist spiritual civilization, six have been selected as advanced factory workers, and two have received official citations. Today the factory is brimming with healthy vitality and the dominant atmosphere today is one of active production, struggle to be advanced, struggle to perform good deeds and help others, hard work, and unremitting determination.

As the activities surrounding making friends have developed and intensified, relations between the party and the masses and between the cadres and the masses have improved, along with relations between new and old workers. Thus a new form of unified and mutually helpful interhuman socialist relations has been developing increasingly every day. Changes in the people's spiritual condition and in mutual relations, both horizontal and vertical, have promoted production development. Last year production improved month by month and season by season and annual production output for the factory exceeded planning by 6.4 percent. Profits paid to the authorities exceeded planning by 4.7 percent. Production trends for this year's first season are also good and production output and profits have increased 15.5 percent and 41 percent respectively over the same period last year.

The above-outlined facts prove that ideological and political work is still the lifeline of all our work. The key to the quality of an enterprise is the quality of the people in it. The tasks of an enterprise are not only in areas such as material products, but also in the creation of a new generation of "idealistic, moral, cultured, disciplined people." Enterprise management not only requires the use of economic means and administrative means, it should, in addition, pay attention to educational means. The guiding role of the party organization in an enterprise mainly promotes and guarantees the completion of central enterprise tasks by means of the implementation of party line, principles, and policies, and also by means of ideological and political work.

The Xiexin factory has stressed ideological and political work for workers and has organized and launched activities for making friends, and the main ways in which it has done this and in which it has promoted changes in these backward and erring young people are as follows:

1. It has accurately grasped the traits and requirements of ideological and political work in this new period of time, has tackled key points, and has courageously launched attacks in key problem areas.

As the ranks of the workers are renewed, the number of workers throughout the entire factory under the age of 35 has crept up to around 70 percent, the vast majority of them represent the backbone of the first line of production.

It is they who carry the major burden of socialist modernized construction, as history has chosen to lay it on their shoulders. The focus of ideological and political work should thus correspondingly fall on their shoulders. The first question to ask when considering how to improve ideological and political work for young workers is how this generation of young workers should be looked on and handled. Leaders in some enterprises have made scientific analyses and estimates of the essential nature and major drawbacks of young people and thus they often tend to spend too much time looking at their shortcomings and problems and spend little time on their advantages and good points, believing simply that "young people are difficult to handle and ideological and political work is hard to carry out." Because of this they are unwilling to approach young people and to come to understand them. They wait until this or that problem crops up and then if it's the head that's hurting, they cure the head, if it's the foot that's hurting, they cure that. Thus they limit their work to expediency.

The party committee in the Xiexin factory not only recognized a shift in the focus of enterprise ideological and political work, they also felt the pulse and got to grips with the traits of this new generation of young people. The factory's party committee understood that young people were born and have grown up after the founding of new China, and thus in comparison to the older generation they lack personal feelings and emotions about the suffering and hardship of the old society. In addition they lack political training and are not skilled at differentiating between right and wrong. However, the vast majority of them are ardent patriots and, in addition, have relatively high cultural or educational standards. Thus they are quick to accept new ideas and facts and there is an enormous amount of socialist enthusiasm and initiative within them. It was with this kind of understanding that the enterprise party committee resoundingly pointed out that "an enterprise which does not concern itself with young people and which does not lay stress on the education of young people, is an enterprise without hope." They asked their cadres to bring about changes in five areas. First, to change the view of young people, so that the method of looking too much at young people's shortcomings and problems and looking too little at their advantages and good points was changed, and so that instead they should look at their essence, their mainstream, and place their hope in this generation of young people. Second, to change the feelings about young people and to steadfastly break down the so-called "barrier" between the two generations and show trust in and concern and consideration for young people. Third, to change the content of education and start with patriotic education, integrating systematic inculcation with positive and active day-to-day education, so that they gradually establish a communist world view. Fourth, to change teaching methods, changing simplified and uninteresting sermon-like teaching methods and instead starting out from the characteristics of the young people and thoroughly instilling in them factual and reasoned principles, striving for unity of ideology, knowledge, and interest. Fifth, to change organizational methods, making sure that in all areas of work the young workers' position and rights as masters of their own destiny are respected and clarified, while actively and persistently molding party and league members from among the most outstanding of the young workers, displaying trust in and boldly making use of the mainstay of the young workers.

As far as the question of educating the young generation of workers is concerned, the most outstanding problem is the attitude toward backward and erring young workers. There is no need for reticence when we admit that as a result of the injuries of the 10 years of turmoil and the corruption and influence of bourgeois and other exploitative class ideas, it is true that some young people have grown up backward, and indeed some of them have even taken the road to crime. The numbers of young people of this kind are not great, but their influence is, and thus they have a serious negative effect on the construction of the two kinds of civilization and they represent one of the reasons for instability in factories. Over the years a strange phenomenon has emerged in factories, referred to as "being advanced does not smell good, it's difficult to be a model worker," and this is mainly the result of trouble caused by this negative force in enterprises. Backward and erring young people often have specific links with certain unhealthy elements in society and since like attracts like, they mutually pollute each other, thus giving rise to worrying social problems. In the past, a considerable amount of enterprise cadres' time and energy was spent in making good and remedying the negative results that these elements had created. Changing backward and erring young people is not only a requirement for enterprises themselves, it is also the duty of society. What is admirable about the party committee in the Xiexin factory is their recognition of this duty, their close attention to this difficult problem, and the effective exploratory work that they have carried out in regard to this problem. As a result of one line they have tried, the activities for making friends, a political and ideological work chain has been created of the nature of "relying on the advanced--changing the backward--promoting the intermediates." Thus, with the cadres of all levels and party and league members as the backbone, they have played the dominant role in the activities of making friends and they have educated and changed backward and erring young people. This change in backward and erring young people has stimulated and promoted a progressive change among intermediate workers, thereby having a limiting effect on the other possible direction in which the intermediate workers could move, namely backward. As the advanced and developed have helped and changed the backward, they themselves have been educated and trained. In getting to grips with changing backward and erring young people in the Xiexin factory, ideological and political work throughout the factory has been spurred on.

2. It has mobilized all party and CYL organizations, trade unions, and administrative organs to engage in political and ideological work and thus form a comprehensive network for the work of changing backward youths.

In the past, other work units have made use of friend-making activities and have done work related to changing backward workers, but in the vast majority of cases it was not sustained over a long period of time and thus it was not capable of being spread widely. One of the main reasons for this was that the activities were limited to small numbers or individuals and were not of a mass nature. The friend-making activities in the Xiexin factory began when the factory party secretary Comrade Liu Ji made friends with the backward young worker nicknamed "Mantis." After gaining some experience the party committee made full use of the role of the classic model and quickly popularized the friend-making activities throughout the entire factory,

mobilizing concerted efforts to carry out this work of changing young people by the party, political work, and the league, both upper and lower administrative levels, and left and right, and thereby creating a multilayered, multilinked network and creating an atmosphere of promoting change and promoting advancement.

Today, friend-making pairs throughout the factory have now grown in number to a total of more than 200 pairs, and thus leading party and government cadres in both the factory and workshops, as well as cadres in administrative offices, have made friends with young workers, while in addition party and league members, backbone members of work groups, and old workers have made friends with young workers. Friendship has been established both with selected backward and erring young people and intermediate ones. The friend-making activities have not only developed inside the factory, cadres from street and neighborhood committees have also made friends with young workers in their homes. As the sphere and scale of friend-making activities gradually increases, the party committee, on the basis of the experiences it has assessed, has temporarily established and perfected an activities system among friends. At the same time it has agreed on the spheres and demands of mutual help and mutual education between friends, in the form of a "mutual encouragement certificate," and it has in addition established a system of experience exchange and assessment citation for friend-making activities. These friend-making activities have meant that the negative, passive, isolated, and decentralizing state of ideological and political work has been changed into an organized, guided, positive, and active state. This is one of the most important aspects of this factory's experiences in ideological and political work.

The key to the development of friend-making activities in the Xiexin factory lay in the fact that the party committee first and foremost got to grips with educating the cadres. The party committee of the factory believes that "the development of friend-making activities is not so much the work of changing backward and erring young people as cadre work, and correcting the cadres' understanding of and attitude toward backward and erring young people." When the friend-making activities began, the perceptions and ideas of the factory cadres, in particular political work cadres, were not unified. Some comrades had had varying kinds of views of young workers over the years, especially of backward and erring young workers, and lacked enthusiasm for carrying out ideological and political work with them and serious reservations about making friends with them. There were mainly "three fears." One was a fear of being unable to change them and thus affecting their prestige. Some people said: "There's no point in talking about making friends with these young people, even kowtowing to them several times wouldn't change them." Inability to change them would thus make them look incompetent. The second was the fear of being seen by others as "associating with bad elements" and "having some of it rub off on them." The third fear was of getting too involved and bringing problems on one's head. Some people said: "Backward young people are as changeable as days in March or a child's face." "If you don't make friends, then everything's safe; if you do, then you are always on tenderhooks." In order to wipe away these ideological barriers and worries the factory party committee adopted

the following concrete actions: First, it carried out education concerning the duties of cadres, particularly political work cadres, so that they might come to understand that teaching young people and changing backward young people to become advanced young people was their unshirkable duty. Second, it made use of some investigative and analytical material concerning some backward and erring young people in the factory and, using facts and reason, explained that these young people had by no means always been bad, that within them were rays of light, that deep within their hearts there was always an advanced aspiration, displaying an unwillingness to degenerate, and that it was only as a result of many years of carrying the burden of backwardness that they had pessimistic outlooks and lacked progressive courage, but that with a little more work and additional help it was entirely feasible for them to change into advanced and progressive people. Third, it assessed and propagated the model experiences which illustrated the changes that occurred in friend-making activities. By letting the cadres see the facts about the changes in backwardness, their belief in this work was strengthened. Fourth, it used the concepts of dialectical materialism and historical materialism to arm the cadres and make people understand that young people are pliable and can be made bad and also made good. Thus they came to understand that they, as cadres, should perform this work of changing young people and that it would not be seen as associating with bad elements. They learned that the process of changing backward and erring young people is a difficult one and cannot be achieved in one go, that there are bound to be setbacks and repetitions, and that one of the keys to success in this work was repeated accurate understanding and treatment. They learned that it was possible for this work to either succeed or fail and that, no matter whether it did succeed or fail, in both cases it would prove to be positive exploratory work and practice for ideological and political work. As a result, the cadres' sense of duty in educating and changing backward and erring young people was greatly improved and at the same time their conscientiousness in doing ideological and political work with young people also increased.

3. In accordance with the characteristics of young people in this new age, it has enthusiastically implemented the principle of guidance in ideological and political work.

Maintenance of the principle of guidance is an outstanding tradition in our party's ideological and political work. Since the founding of new China, the "leftist" errors which have appeared within our party at times have caused damage and destruction to the party's ideological and political work and its principle of guidance, and their negative effects have even today not been completely eradicated. Some leaders of ideological and political work in some work units today are weak and slack and this is manifested to a very great extent in ineffective use of the principle of guidance in carrying out ideological and political work. On the one hand, some do not dare to guide and, on the other hand, some are unable to guide. In differing situations the targets are different, "old methods are of no more use, the new methods cannot be used." The friend-making activities of the Xiexin factory have required an integration of the outstanding traditions of ideological and political work and the characteristics of ideological and

political work in this new era and thus the principle of guidance in the party's ideological and political work has achieved concrete form in the following ways: equal treatment, involvement, perseverance, understanding, and guidance.

Equal treatment means that the party cadres do not put on airs and are not domineering or arrogant, but instead treat young people in a comradely and equal way. This has thus changed the former simple and crude methods of ideological and political work such as "I command, you do; I speak, you listen." Equal treatment is one of the conditions and premises for developing friend-making activities and it is also the foundation on which to make friends. Only with equal treatment can emotions and feelings be linked, can lack of mutual understanding be erased, and can there be understanding and help. The reason the friend-making activities of the Xiexin factory have produced such obvious successes and created so many friendships, and so many "friendships between generations," is because this principle has run right through all the relations in the friend-making activities.

Involvement and understanding is a principle of ideological and political work which our party has constantly advocated. The "recall past suffering and ponder the source of present happiness" activities of the 1950's and 1960's were one form of ideological and political work based on involvement and understanding. Why was this form of work so effective in the past, whereas today it is not very effective? Because the young people of today were all born in the new society and they have no memories or experience of the suffering of the old society and, hence, simply recalling past suffering and pondering present happiness cannot arouse much response in them. The target has changed and yet the content of "involvement" and "understanding" has not developed and thus, naturally, the results are not good. The party committee and cadres at all levels of this factory implemented the principle of involvement and understanding, adapting the content to modern times and integrating the experiences and present feelings of the young people, and thus their results have been good. They have not simply talked coldly to and been prejudiced against the young people, they have treated them as equals and offered them closeness and warmth. They did not simply reprimand and censure the young people for asking questions, rather they dealt with these questions analytically, seeking truth from facts, and helping them to improve their ability to distinguish between right and wrong and good and bad. Thus there was severe criticism but also friendly expectation. They carried out fundamental education in outlook on life and world outlook and also made concrete efforts to help the young people assess their experiences and lessons. They tried to help with, and solve as far as possible, the real problems hindering and affecting the young people's healthy growth and development. All of this embodied the content and requirements of involvement and understanding and as a result had an effect in educating and guiding backward and erring young people.

The content of guidance was not only to guide the backward and erring young people in transforming their advanced aspirations into advanced action and behavior and confirming and encouraging every slightest sign of advancement, in addition it was also necessary to influence the young people

through the model roles of the party members and cadres. The Xiexin party committee has done a great deal of work over the last few years in rectifying the party work style. On every level, from leading cadres to ordinary party members, the stipulations of the "party regulations" and the "standards" have been upheld and thus, in areas such as housing allocation, work organization, admission of cadres by examination, and other, similar areas which the masses pay a great deal of attention to, strict demands were placed on the cadres to improve the credibility of the party organization, party members, and cadres, and this in turn improved the power of ideological and political work.

Perseverance implies steadfastness and this has been one of the most important elements of the friend-making activities of the Xiexin factory. It must be understood that making friends in order to promote change cannot be completed in one fell swoop. "It is not possible to have 3 feet of ice in 1 day of winter" and melting the layer of ice within the hearts of backward and erring young people cannot be done in 1 day either. Just because there are some repetitions does not mean that we should give up half way, it is often the case that the going is toughest near the very end. Thus it is important to remain steadfast, especially when there are repetitions occurring.

4. It has developed diversified activities, activities which teach and educate.

The content of ideological and political work is very rich and it can take many different forms. However, for a very long time people tended to see such work in a very narrow way, and too simply. They saw ideological and political work as a form of preaching or sermonizing. One of the greatest characteristics of young people is that they are vigorous, energetic, active, and keen to learn. An important question in the construction of a socialist spiritual civilization in enterprises is how to use diversified forms of ideological and political work and rich and varied spare-time activities to ensure that young people's minds are well-molded and that each person's intelligence and vitality is fully trained and developed. This is also an important question to be considered in enterprise ideological and political work. Quite a large number of enterprises content themselves with merely "controlling" and "minding" young people during the 8 hours of work. They narrow-mindedly see the role of political and ideological work as being only a form of control or guarantee. Their attitude concerning developing various activities suited to the characteristics of young people and satisfying the reasonable demands of young people for a healthy spiritual life is simply that such things are superfluous, and merely added burdens. This narrow-mindedness and shortsightedness is also found in enterprise management and enterprise construction. The Xiexin factory smashed this narrow-mindedness and shortsightedness and, while respecting the laws of ideological and political work and the responsibility carried by socialist enterprises, not only did it carry out ideological and political work during the 8 hours, it also did so outside the 8 hours, developing a wide number of activities suited to the characteristics of young people. Thus there have been the young workers' political school, an upsurge in Chinese reading activities, and spare-time interest groups doing calligraphy, art, photography,

dressmaking, and so on. There have been artistic performances, recreational activities, sports competitions, weekend dances, relaxed evening parties, knowledge competitions, intelligence tests, all kinds of labor competitions, various forums, specialist discussions, poetry readings, "serving you" activities, work on writing the factory history, the composition of a factory song, and so on. Thus the activities have been very varied and rich in content and they have been warmly received by the young workers.

These rich and varied activities have involved ideological education in patriotism, collectivism, and communism and they have livened up the young people's lives and increased the young people's feelings of patriotism and love for the factory and their sense of responsibility in being masters of their destiny. These activities have absorbed the young people's spare-time lives into the factory and this has lessened their opportunities to come into contact with negative influences and increased their ability to resist spiritual pollution. One young person who has been taking part in reading classes said with emotion: "One bullet can kill one person, one bad book can poison a group of people, and one good book can vitalize a whole mass of people." One young person who has been taking part in spare-time interest groups said: "It's as if I have entered a new world. I have fallen in love with this interest group." Some young people who previously had nothing to do in their spare time and who used to feel spiritually empty have found in the factory a whole world in which to express their spare-time energies. After taking part in reading activities, some backward and erring young people have expanded their field of vision and their hearts have come alive and they have become conscious of the eradication of the backward and erring elements within them. As a result of taking part in these rich and varied activities the mass of young people have attained spiritual satisfaction and they have now become fired with enthusiasm and are willingly taking part in the factory's political, public welfare, and various obligatory labor activities. It is as a result of these activities that a lively and active new scene has emerged in the factory.

The experiences of the Xiexin factory in the friend-making activities have proved very successful. However, they do have their limitations. The work of changing backward and erring young people is an important task in ideological and political work, but it is not the entirety of ideological and political work among workers. Ideological and political work needs several different layers and requires different targets and aims. It should establish a strong network through which it can comprehensively improve the quality and standards of the workers, so that all workers, especially the young, can become a new "idealistic, morally sound, cultured, and disciplined" generation. This work must encourage them to work hard and dedicate themselves to the realization of the general tasks and general aims of the 12th CPC National Congress. They must correctly handle and grasp the accurate principle of the social relations between the state, the enterprise, and the individual and they must correctly understand and handle the relationship between short-term and immediate interests and long-term interests and between partial and overall interests. When compared with these requirements and demands, the ideological and political work of the Xiexin factory still falls quite short, and even if we only look at the friend-making activities they have undertaken, we can still say that there is room for further improvement.

LET THE PEOPLE LIVE IN A COUNTRY WHERE FLOWERS ARE IN FULL BLOOM--READING
'THE WORLD FOUND'

Beijing RED FLAG in Chinese No 11, 1 Jun 84 pp 40-42, 48

[Article by Wei Jianlin [5898 1696 2651]]

[Text] It chiefly concerns the teachers and students of a reformatory. The given environment is a microcosm of the history and reality of contemporary China. Through disputes in this small world, which owed their existence to the intensification of wide social connections, it portrays a large number of realistic and lively characters who have made and will continue to make unrelenting efforts to get ahead under the surging tide of life. These characters include Communist Party members, educational workers, and juvenile delinquents who have gradually come to realize their mistakes and resolved to turn over a new leaf. These are what the reader reads about in "The World Found," a long novel by Comrade Ke Yan [2688 1484]. Such topics have become the focus of attention, both in the literary arena and in the creative activities of individual writers.

The novel begins with Yu Qianqian [0060 0241 0241] requesting her transfer to a reformatory. This young girl in her twenties "has gone through all the kinds of storms experienced by all young people between the 1950's and 1970's, and life has left its mark on her as on everyone else." However, the spiritual nutriment that she has drawn from the lower strata and from family education has not turned her into a selfish, vulgar, and short-sighted person. We must produce an accusation and say that the author has overpurified her mind, as the girl would not appear natural unless her mind was described as a little tainted. If we must write like this, we are being forced to submit to an incorrect formula and to overlook the richness of life itself. The important thing is, in actual life we do find a lot of young people who show a zeal for life and for the mission of the times. She sees her ideal, and something poetic and beautiful, in education through labor in the socialist motherland. Naturally she has no way of knowing what kind of stern trials life has in store for her, and, logically, she feels the pain, the agony, and the despair. However, she holds fast to her dream and matures through the tempering of life. "If our belief is shattered since it comes face to face with things ugly, is not our belief a bit weak? We never believe that there is nothing ugly in life. On the contrary, we believe that there are ugly things in life. But what is ugly can be changed and cured. Is it not true that it is the wish to change the

ugly into the beautiful that has brought us here?" Yu Qianqian puts down this remark by Huang Shulin [7806 2885 2651] in her diary. This remark is an account of their growth of personality. It is also a profound truth, told by the author through his own lively artistic creation.

How the seamy side of socialist society should be portrayed in literary works has been explored and discussed by our writers, literary theoreticians, and critics from more than one angle. On this question, "The World Found" provides us with a good deal of inspiration. The rationality and superiority of the history of socialism come from life itself. Generation after generation of communists and advanced elements have valiantly fought, shed blood, and sacrificed for the ideal of communism. The socialist society not only implies a world of flowers and hearty music. It is a transitional society which interweaves the past with the present. Lu Xun once said: Revolution is painful and is bound to be mixed with dirt and blood; it is not something interesting and perfect as the poets imagine it to be. Revolution involves destruction but it needs construction even more. Destruction is a delightful task, but construction is a troublesome one. Socialism has won universally acknowledged great achievements in China, but it has also met with setbacks. Reformatories should be "ideal" places for monitoring the seamy side of socialist society. What "The World Found" portrays is such a special environment and such a special group of people. Xiang Xiuer [0686 4423 0348], the "little lunatic," threw up and defecated on Yu Qianqian's sheets. The intellectual faculties of 16-year-old Song Xiaoli [1345 1420 7787] are such that she thinks that five divided by five equals zero. Young Jianguo [1696 0948], the "steel buddha," acts boorishly and loves to snap at others. Guo Xixiang [6753 0323 4161], who "eats raw meat," beats up others on the slightest provocation. Xie Yue [6200 1878], "the duke," has nothing but despair and hatred deep in her soul. In her own words, her mind "is the place of tombs." Smoking, drinking, stealing, and hooliganism will raise no eyebrow here. Yu Qianqian has seen the files of all the students in her class. If what she saw were not written in black and white, she would have thought that the whole thing was a nightmare. "Who could have imagined that so many crimes and so many ugly and filthy things that now weigh like a big mountain on these teenage girls could have happened within a short span of 10 years." This is disgusting, but they are facts which cannot and should not be covered up. What matters is how these facts are dealt with. The author does not think that his job is merely to present these facts statically and in isolation before the readers. The novel does not merely enable us to see the ugly, it truthfully portrays the ugly as a historical process and reveals the cause of its birth and the inevitability of its removal from society. The ugly is seen as the outcome of the sabotage of the socialist system rather than as a product of the socialist system itself.

History does not begin here, neither will it end here. Things are changing. Thanks to the convocation of the 3d Plenary Session of the 11th CPC Central Committee, our party, the revitalized socialist system, the healthy trend that permeates all quarters, and the hard work of teachers who realize their duties and who are motherly in their affection are able to sow the seeds of poetry and beauty in a place where the Lin Biao and Jiang Qing

counterrevolutionary cliques had sowed the seeds of evil. In the second half of the novel, the children in this reformatory have all assumed a new posture before the readers. Xiang Xiuer is wearing the badge of the CYL. Guo Xixiang has become an activist in the reformatory. Song Xiaoli is ready to be a worker. Young Jianguo recites a poem written by herself about herself. "Trembling, I hold the sheet in my hands and I can see a new me between the lines." Xie Yue, who was hurt most deeply, has become the chairman of the student union and is planning to apply for admission to a teachers' college. Her mind is preoccupied with solemn issues such as "in 20 years the number of our qualified personnel will have grown not by arithmetic progression but by geometrical progression." When these children, whom people feared and shook their heads at, and even used as proof to illustrate their point that society promised no future, passionately sing the song "We Are Successors to the Communist Cause," we cannot but deeply feel the tremendous strength of the socialist system, the party, and the people in changing the world and in creating history.

Here, we come to the oft-repeated question of confidence. It is ridiculous to think that people will only be willing to join in the communist cause if they are assured beforehand that everything is going to be plain sailing, that nothing unhappy is going to happen, that they do not have to make any sacrifices, and that they can taste the sweet fruits with the least effort. Confidence is not an illusion on a person's own part; it is not idle theorizing according to one's own inclinations. Confidence can only come from understanding and grasping the law that governs the development of society, from the activities of the masses of the people in creating history, and from the intelligence and wisdom obtained through this kind of practice. When Yu Qianqian first applied for her transfer to the reformatory, her fiance laughed at her and called her a daydreamer. While we cannot agree with such a judgment, it does not mean that there was no element of daydreaming in her mind at that moment. It is only through practice that she gradually increases and strengthens her confidence in her own career. She has the habit of facing life with a smile. But it is only through the tempering of life that her smile becomes richer in substance and in truthfulness. She meets with instant rebuffs from "the duke" and the "steel buddha" at their first encounter. She is hit by a snowball and bitten, and when she turns around, "the duke" has already fled by climbing over the wall. Then she is confronted with the dispute between Xiang Xiuer and Song Xiaoli. In their bickerings, they are full of dirty words, even personal abuse. But she is not defeated. In her fight against evil, she sees faith and anticipation in the eyes of Xiang Xiuer's mother, the tested and persistent love between Zheng Jia [6774 0857] and Bai Xiaoyuan [4101 1420 6678], and the noble spirit shown by her elders Xu Wen [1776 0795], Wu Jiaju [0702 1367 7467] and Huang Shulin, who devote themselves to the cause of education through labor. She sees that some former students of the reformatory have now become heads of workshops, air force officers, and head instructors. She also sees how her own students are making improvements little by little. Through all this, she becomes more sure of herself and more mature. Yu Qianqian's growth and the fact that these children of the reformatory have returned to the right track and found a new life and a new world at long last both constitute a process, an organic link

in the unalterable objective process of the triumphant advance of socialism. It is precisely through this process that man changes society and society in turn changes man. Man's spiritual world and interrelations are changing, but man's conviction that socialism is bound to triumph remains strong and firm and plays an active role in promoting the development of society.

Because he has struck deep roots in life and has scientifically grasped the internal links in the intricate and complex happenings in life, the author can soberly see that there are still vestiges of the old society in the socialist society, while being aware of the fact that the socialist system has the strength to eliminate these vestiges and to overcome the negative effects of the old system. It is precisely for this reason that he can see brightness and also the living logic that brightness is bound to triumph in the reformatory, which many see as the confluence of things filthy. After holding a meeting to demand the repayment of lost youth from Lin Biao and the "gang of four," every student at the reformatory is given a questionnaire. In answering whom do they respect most, less than 3 percent of the students put down Premier Zhou and Lei Feng. The majority of them merely scribble something down. Their answers range from Jiang Taigong [1203 1132 0361] and Zhen Guanxi [6966 7070 6007] to Hitler and people on the other side of the Atlantic. But Xu Wen, secretary of the party branch, asks the dispirited teachers to look at the questionnaire from the other side; that is, 3 percent of the students have begun to think about a new life only a few days after receiving education on revolutionary traditions. One hundred percent begins with 1 percent. Xu Wen calls this "a great change." Of course, the portrayal of the seamy and bright sides and the question of confidence in literary works is by no means a mathematical question of calculating percentages. The important thing is to have a unique plot and characters with unique personalities, to reflect the predominant strength of the people and the objective trend of social progress, and to blend such scientific understanding with an artistic perception of life.

The author has not oversimplified the issue, even when he leads us to look at the questionnaire from the other side. Xue Renfeng [5641 0086 7685], the deputy head of the reformatory who knows nothing about education and is only good at stirring up trouble and sowing discord, Chi Wei [6688 1218], one who has made a fortune and climbed to the post of departmental head by rising in rebellion and who plans to "settle scores again in 20 years," bureau chief Sha [3097] of the education bureau, who backs them up, and leading members of the "learning-from-Jiang mass criticism group" of yesterday and the "ultraliberation faction" of today, have realigned to level false charges against others, confuse the public, stir up trouble, and turn things into a passive state. Work at the reformatory now looks bright and now looks gloomy. Gradual progress is marred by insidious ridicule and interference. Secretary Ren [0117] of the city CPC committee, who supports the cause of education through labor and who exposes the activities of the "ultraliberation faction" and other groups, is given a "normal transfer order." People who are upright fear that the new city CPC committee secretary might find himself being surrounded by people who are skilled in making false charges, by the solipsists, and by the "ultraliberation faction." They hope that this seasoned Red Army veteran will

demonstrate his skill "in fighting brilliantly and in breaking out of encirclements." With his keen political acumen, this new secretary soon discovers why accusatory material and anonymous letters were written against middle-aged and young cadres who enjoy the trust of the party and the masses. After some investigation and study, he makes a statement which shows strategic insight: "Investigation, verification, debate, collection of evidence, disputes, wrangles, formalities, procedures.....everything takes time." "This is a special feature of our times. People of later generations will not understand this, but it is true all the same: There are many things to set right. Things are still intricate and complex as the new replaces the old. The course is tortuous and jigsaw-like.....but the situation has undergone a fundamental change. After marking time for 2 years, the revolution is now advancing in great strides." What we see in "The World Found" is such a picture. This is a distinguishing feature of China at present. There will naturally be new difficulties and setbacks after a new victory. But still greater victories lie ahead and there is no doubt about it.

Among the characters presented in the novel, the images of the several Communist Party members are the most moving. After clearing up the "messy" hospital where he worked concurrently as director and party branch secretary, Xu Wen gave up the flat which his wife had wanted all these years and moved into the warehouse in the reformatory. Here, he resumes his militant life. His difficulties in educating the children come from the evil wind fanned up by bureau chief Sha, Chi Wei, and Xue Renfeng. He is dismissed from office despite his meritorious service, but he quietly bears it and lets history do the work of distinguishing between right and wrong. The image of a communist educationist comes out very strongly through his character, which is unyielding behind his outward appearance as a quiet and steady person. Huang Shulin, the dean of studies, was once a student of the reformatory under Xu Wen. It is not difficult to see traces of Xu Wen in him. He had experienced countless hardships and misfortunes when he was younger than Xu Wen. Instead of causing him to flinch, this has given him an enterprising spirit and great fervor. He is now growing up to be a Communist Party member who becomes stronger through handling all kinds of complicated situations on his own. Xiao Qiao [1420 0829], the reticent young Communist Party member who has just been transferred from the armed forces, is only given a few lines by the author. She questions Xue Renfeng about the false charges he leveled against Wu Jiaju. Her remarks about the investigation are very forceful and reveal the features of those who level false charges against others. A young man with little experience in struggle can cause his experienced and astute opponent to pale into insignificance merely by taking the party's stand and grasping the truth. Secretary Ren of the city CPC committee puts it well: "Our party has such a lot of truly outstanding party members who are unknown to the public! They can bear all kinds of sacrifices for the sake of the party, but they never ask the party for anything. They refuse even to utter a word of complaint." It is precisely these party members and the countless people who stand with the party that back up the edifice of our young republic with their willingness to sacrifice and with their creative labor. It is because of them that the people can live in a land where flowers blossom.

"The World Found" is a novel which acutely reflects life in present society. The plot unfolded in the novel is something that is happening and will continue to happen around us. The characters portrayed are breathing and moving around us. Every reader can find in the novel a trace of himself and of his companions. It is precisely for this reason that we are convinced that its vitality will not be short-lived.

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GUIDANCE MATERIAL ON STUDYING THE DOCUMENTS OF THE 2D PLENARY SESSION OF THE
12TH CPC CENTRAL COMMITTEE--EDITED BY THE RED FLAG THEORETICAL EDUCATION
EDITORIAL OFFICE

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[Text] Pay Attention To Strengthening Ideological and Political Work
Following the Shift of Work Focus

(By Zhu Dingzhen [2612 1353 5550])

We have shifted the work focus of the party and the state and created a new situation in socialist economic construction since the 3d Plenary Session of the 11th CPC Central Committee. And in realizing the shifting of the work, the CPC Central Committee has time and again stressed the importance of strengthening ideological and political work while the 12th CPC National Congress has regarded the building of socialist spiritual civilization as representing a strategic task. Yet in actual work, the tendency of neglecting ideological and political work still exists. Some comrades said that following the development of the economy and improvement of people's living standard, the ideology of the people in various aspects will automatically turn to the better. They have therefore considered that once they are able to grasp economic work, everything will be resolved and consequently they have considered ideological and political work as unimportant.

It is true to see from the point of the whole work of the state that the most basic work is to do a good job on the economy. But it is also true that since spiritual civilization can in no way be realized without the material conditions, to be able to improve the economy is also helpful in promoting ideological progress. And yet in spite of all this, people's ideology and the extent of spiritual civilization may differ very much from each other under certain economic conditions. The ideology of the people in many economically advanced countries is not necessarily progressive. On the contrary, many people lack aspirations and beliefs as well as spiritual ballast while social crimes are serious. And in China, a few people have become economic and criminal offenders not because they are having hard times but because of the corruption of the bourgeois ideology and the vicious explosion of individualism. Therefore it can be seen that the view which holds that people's ideology will naturally turn to the better following the improvement of economy is wrong.

Marxism tells us that the relations between ideological and political work and economic work are dialectically unified. These two aspects promote but cannot replace each other. Our party has always held that ideological work and political work are the lifelines for economic and other work. There will be no way for us to do a good job of economic work as long as we neglect ideological and political work. Why?

First, the party line, principles, and policies can be correctly implemented only when measures are taken to strengthen ideological and political work. The correct line, principles, and policies themselves are in a position to mobilize and educate the masses of people and spur their initiative. But before the broad masses of cadres and people are able to understand and grasp the line, principles, and policies and correctly implement them, it is imperative to frequently carry out meticulous ideological work on the basis of the different understanding of cadres and the masses and on the basis of the constantly emerging problems. The economy of the country has been restored and it is now developing rapidly since the 3d Plenary Session of the 11th CPC Central Committee. This situation represents the results of the defining and implementation by the CPC Central Committee of its correct line and a series of principles and policies and these results include the important fact that the party has carried out tremendous ideological and political work. This work included such important measures as the criticism of the "two whatevers," the unfolding of the discussion on the question of the criterion for truth, the advocacy of the guiding principles of emancipating the mind, starting the brain, seeking truth from facts and uniting in marching ahead and the reiteration of the necessity of upholding the four basic principles. In this process, Comrade Deng Xiaoping and other leading comrades from the CPC Central Committee have time and again explained the party line, principles, and policies to the whole party and nation and criticized erroneous views. It is precisely because our party has carried out arduous and meticulous ideological and political work, criticized the "leftist" errors in a series of major questions on socialist construction, and prevented rightist interference that the economic construction of the country has been developing by each passing day and a prosperous situation has emerged. This achievement has fully shown the tremendous power of ideological and political work.

Second, the socialist orientation of the economic work and the work of various aspects will be guaranteed only when measures are taken to strengthen ideological and political work. With regard to the economic work of the country, persistence in socialist orientation means to build the socialist economy with Chinese features, to persist in the simultaneous existence of the multiforms of the economy under the premise that the state economy is in leading position and the economy with public ownership is in a dominating position and to persist in the purpose of the socialist production that is aimed at meeting the needs of people's materialistic and cultural life. It also means to persist in the principle of planned economy as the main and regulation by market mechanism as the supplement; to persist in the principle of from each according to his ability and to each according to his labor; and to persist in the open-door policy on the basis of self-reliance. Various ideological obstacles have naturally been encountered in the process

of upholding these principles. First of all, "leftist" influence has been quite serious. For example, the economic form was once too monolithic, economic management was excessively centralized, coupled with too rigid control and egalitarianism in distribution and all these are unfavorable for the prosperity of the economy in rural and urban areas and for mobilizing the socialist initiative of the broad masses of people. These situations have constituted a factor that has consequently hindered the socialist system in displaying its advantages and therefore it is imperative to continue with reform. On the other hand, as class struggles within a certain range and the influence of bourgeois ideology will continue to exist for a long time to come and because of the limitations of the status and the field of vision of individuals and economic organizations, often people are only concerned with intermediate and partial interest and neglect long-range interest and whole interest. Therefore, it is also imperative to prevent rightist deviation from the socialist orientation. For example, certain units have disregarded state interest and social needs, practiced deception, retained the tax profits that should be handed over to higher departments and arbitrarily issued bonuses. This practice is contradictory to the nature of socialist enterprises. Such work as eliminating "leftist" influence, opposing the corruption of bourgeois ideology, handling well the relations between the state, collective, and individuals, ensuring the socialist orientation of economic and other work must be carried out by relying on the implementation of the party line, principles, and policies, coupled with various concrete rules and regulations and powerful organization work and strong ideological and political work.

Third, the socialist initiative of the broad masses of people can be fully mobilized only when ideological and political work is strengthened. The economic construction in China is the cause of the broad masses of people, therefore this construction will be successful only when we are able to rely on the consciousness, wisdom, and power of the people. What is to be relied on in mobilizing the initiative of the broad masses of the laboring people? We must rely on implementing the principle of the socialist material interest and the strengthening of the ideological and political work. These two aspects promote each other and they are indispensable. The initiative of the people can be mobilized only when we are able to correctly implement the principle of material interest, introduce the principle of distribution according to labor and help the broad masses of people understand the advantages of the socialist system from the point of their interest. In the past, under the guidance of "leftist" ideology, spiritual vitality was excessively stressed and the principle of material interest and distribution according to labor was denied, only to affect the initiative of the masses and the development of the economy. We must bear this lesson in mind. But we must also understand that in implementing the correct principle of distribution according to work, it is also imperative to strengthen ideological and political work. This is because only in this way will we be able to get rid of the feudal sense of hierarchy, the petit bourgeois egalitarianism and other forms of the bourgeois ideology that is characterized by "money is everything." This criterion is needed because the introduction of the principle of the distribution according to labor demands that laborers must carry out their work according to their ability and because more gain is

based on more labor. Distribution according to labor means awarding the diligent and penalizing the lazy. This principle will encourage people to create more material wealth for the state and collective and make more income on the basis of greater effort so as to gradually improve their living standard. Essentially speaking, the thinking of equalitarianism and "money is everything" is characterized by the fact that with regard to labor and payment, this thinking is seeking more but not willing to work more or even demanding to work less but with more gain. Therefore if we do not strengthen ideological and political work in implementing the principle of distribution according to labor, the initiative that has been mobilized cannot last long and this situation is not really in the interest of the healthy development of the socialist economy. For example, the existence of the practice of payment according to labor in some enterprises has resulted in the fact that workers are only paying attention to quantity while neglecting quality, paying attention to their interest while disregarding the interests of others, and paying attention to the part while neglecting the whole.

Having experienced the destruction for 10 years that was caused by Lin Biao and the "gang of four," some comrades have become doubtful whether it is necessary while carrying out the construction during the new period to stress the importance of the role of people's revolutionary spirit and whether the socialist initiative of the broad masses of people can be mobilized through ideological and political work. But this doubt has been proven unnecessary by many facts that have emerged in the process of realizing the modernization program and new experiences. For example, the victory of the project of diverting the water of the Luan He into Tianjin has fully shown the tremendous power of the ideological and political work. Why has it been possible for army units that have never undertaken aqueduct projects before to have completed a 3-year job in a matter of 1 year? Why were countless prospecting and measuring, design and construction units able, through hard work on the spot, to make the achievements that could in no way be made under ordinary conditions? Why were the 100,000 voluntary builders able to complete in 50 days a job that usually needs 5 months to complete? The reason is that all who were involved in the project, from leadership right down to grassroot levels, paid attention to ideological and political work. As a result, the whole ranks of the builders fostered the lofty thinking of creating happiness for the people and formed the dogged revolutionary will, serious and conscientious scientific attitude, the spirit of daring to create, the lofty style of unity and coordination and vigorous and speedy work style. It is none other than the revolutionary zeal of the people that has made up for disadvantages in our technology and equipment and enabled our social system to display its innate potential and advantages to finally work wonders. Therefore it can be seen that in order to do a good job in carrying out the modernization program, it is imperative to implement the socialist principle of material interest and educate the masses with communist ideology so that they will become the laborers who have aspirations, morality, and culture and who abide by discipline. This education is an important guarantee for us in overcoming difficulties and achieving the grand goal of realizing the modernization program.

Party Rectification Should Promote the Opening to the Outside World and Activating of the Domestic Economy

(By Ji Si [7162 1835])

The CPC Central Committee has pointed out in its resolution on party rectification: "Party committees at various levels must see that the party rectification in no way hinders the constant implementation of the party's various principles and policies about opening the country to the outside world and activating the domestic economy in rural and urban areas." It is a very important resolution that we must understand and strictly implement. Otherwise, the predicted goals of the party rectification cannot be realized.

The current party rectification is carried out under the new situation in which the work focus of the party and state has been shifted to the socialist modernization program. In the final analysis, the purpose of the rectification is to do a still better job in the modernization program and realize still better the goals and tasks that have been put forth by the 12th CPC National Congress. Comrade Hu Yaobang pointed out recently: "It is imperative to guarantee both the party rectification and economic work. The relations between the party rectification and the economy is that the rectification must promote the economy and the economy will test the results of the rectification." Premier Zhao Ziyang pointed out in his speech to the Second Plenary Session of the Sixth NPC: "It is imperative in carrying out economic work in future to grasp the two aspects of reforming the system and opening the country to the outside world." In order to enable the party rectification to promote the development of the economy, it is necessary to promote reform work and the opening of the country to the outside world. That is to say, efforts must be made to further implement the various principles and policies on opening the country to the outside world and activating the domestic economy in rural and urban areas.

The opening of the country to the outside world and the activating of the domestic economy in rural areas and urban areas represent a major strategic policy of the CPC Central Committee in speeding up the realization of the modernization program. An important reason for the economic construction of China to have been able to develop steadily and healthily with tremendous achievements is that we have implemented this basic policy. Now the problem is that our country is not open enough and that our economy has yet to be further enlivened. Comrade Deng Xiaoping pointed out recently that the guiding ideology for the building of special economic zones that are implementing the open door policy is not closing but opening. The State Council has decided to make better achievements in the management of the special economic zones and to open 14 coastal cities to the outside world. It is imperative to introduce certain particular policies and successful experiences of the special zones into these coastal cities in order to make the policy governing investment by foreign businessmen less restrictive, expand the management powers of localities and absorb and use foreign capital and technology still better. With regard to activating the domestic economy, Document No 1 of the CPC Central Committee this year has defined a series of the principles for further activating the rural economy and these

principles are being implemented by localities. Under the inspiration of the successful experiences in reforming rural areas, a good situation has emerged in reforming the urban economy. But there are many obstacles in opening the country to the outside world and in activating the domestic economy; therefore it is necessary to further unify our thinking and spare no effort.

Before we are able to make the party rectification promote the development of the economy, reform work, and open the country to the outside world, it is imperative to further eliminate the influence of "leftist" ideology during the party rectification. At present, the obstacles to reforms and opening the country to the outside world have mainly come from the influence of "leftist" ideology. For example, some comrades have put the measures for developing commodity production on the same footing with developing capitalism. They have regarded the system of "everybody eating from the same big pot" as representing socialist advantages and they worry that as part of the people become rich earlier than others, this situation will give rise to the emergence of polarization and that to allow transportation of goods to distant places will cause profiteering. Investigations in some regions show that the "leftist" ideology is yet to be cleared from the minds of a number of cadres at grassroot levels and veteran communists in rural areas and their thinking must be further emancipated. Some who have cultivated well the several mu of their contracted land and consequently become idle, do not dare to find other work to make more money because they considered poverty as representing "integrity in their later years" and because they considered becoming rich as making mistakes; some others have refused to become rich and seized the chance of the party rectification to criticize those who have become rich. Still some others who have begun to become rich through their own labor are afraid that they will not be able to pass the test of the party rectification. Some other comrades have treated the present reforms and the new things that have emerged through the opening of the country to the outside world with the rules and regulations that were formed in the previous period and they are familiar with. And as these rules and regulations are inapplicable under the new situation, these comrades have consequently become obstacles to the reforms. This situation shows that if we are not unanimous with the CPC Central Committee in the basic policy of opening the country to the outside world and activating the domestic economy and if we fail to form the correct criterion for distinguishing right from wrong, we will eventually consider the correct deeds and policies as being wrong and criticize them. Leading comrades from the CPC Central Committee pointed out that the criterion for judging whether our various reforms are correct is whether these reforms are in the interest of building socialism with Chinese features, of making the country prosperous and developed and of the happiness of the people. With this criterion, we will be able to support the comrades, through the party rectification, who have made contributions in reforming the system and opening the country to the outside world so as to display healthy practice and do a still better job of reforming the system and opening the country to the outside world.

Of course, following the implementation of the correct open door and economic activating policy, we will be subject to more influence of the decadent

bourgeois ideology and style of work. And this means a new situation and new problems for inner party ideological education, the party style of work, and party discipline. Such inner party problems as the ideological problem, the problem of the style of work, and the purity of organizations must be gradually and conscientiously resolved during the rectification on the basis of the principles, policies, and methods that have been defined by the CPC Central Committee for the rectification. At the same time, we must also understand that the reasons for the emergence of these problems are complicated. Therefore we cannot simply regard these problems as the results of the policy of opening the country to the outside world and activating the domestic economy, let alone refrain from doing something necessary for fear of a slight risk. Nor can we doubt or even refuse to implement this correct policy just because there have emerged some undesirable phenomena in the process of implementing this policy.

In his report to the 12th CPC National Congress, Comrade Hu Yaobang said: "We are now in the new era of developing the socialist cause, therefore both in ideology and deeds we must implement the following two aspects. The first one is to persist in the policy of opening the country to the outside world and activating the domestic economy; and the second one is to persist in cracking down on serious criminal activities that are endangering socialism in economic and political and cultural sectors. It is wrong to pay attention to the latter and doubt the former and it is dangerous to stress the importance of the former and neglect the latter. The comrades of the whole party must be very clear with this principle, there should be no slight ambiguity in this aspect." We have followed this principle in the past few years. While the policy of opening the country to the outside world and activating the domestic economy is being implemented, struggles are also being waged to crack down on serious economic and criminal activities. And this practice represents a successful experience in correctly persisting in these two aspects and making these two aspects complement and promote each other. During the current party rectification, it is also imperative for us to correctly handle the relations between handling well the party rectification and persisting in the policy of opening the country to the outside world and activating the economy so that the party rectification will be able to promote the development of the economy and the economy will be able to test the results of the rectification.

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SHOULD THE METHOD OF CLASS ANALYSIS STILL BE APPLIED NOW THAT THE EXPLOITING CLASSES HAVE ALREADY BEEN ABOLISHED?

Beijing RED FLAG in Chinese No 11, 1 Jun 84 pp 47-48

[Article by Yuan Shi [0337 4258]]

[Text] The method of class analysis is the fundamental method with which Marxism researches history, understands society, and analyzes interhuman relations. In a class society the different interests and demands of the different classes produce various contradictions, conflicts, and struggles, forming a complex social phenomenon. Only through the use of class analysis can this phenomenon be exposed, its true nature seen, the distinction between ourselves and the enemy and between right and wrong be clarified, these social phenomena be correctly handled, and revolutionary work done. If we ignore this basic method, then the appearance of these social facts becomes complicated and confusing and thus our work will stray from the right path. This has been proved by many years of historical experience. After 30 years of socialist revolution and socialist construction, there have been fundamental changes to the class nature of our country and the exploitive class no longer exists as a class. In view of this do we still need to use the method of class analysis? It should be said that on the basis of the present actual situation in our country's society, there is still a problem about how to correctly understand and handle the contradictions and class struggle within socialist society. Hence the method of class struggle does still have a sphere of application.

Since the 3d Plenary Session of the 11th CPC Central Committee, order has been restored out of chaos and there has been a decisive cessation to the call "take class struggle as the key link" and a rejection of the "leftist" erroneous views concerning questions of class and class struggle within socialist society. The party central authorities have pointed out that after the elimination of the exploitive class as a class, the contradictions which remain in our society are mainly not of the nature of the class struggle and that class struggle is no longer the major contradiction within our society. They have further pointed out that we must steadfastly differentiate between and handle contradictions between ourselves and the enemy and contradictions among the people, and that we must avoid committing such errors as expanding the class struggle. However, the class struggle will continue to exist within our society within certain spheres and indeed under certain specific conditions it could even intensify.

In view of the continued existence of the class struggle, we must firmly make use of the Marxist class concept to investigate, analyze, and handle those social contradictions and social phenomena which are of the nature of the class struggle. Only by using the method of class analysis can we maintain a firm position, uphold our principles, and recognize the nature of the class struggle that still exists today within certain spheres as well as its origin and development, come to know what falls under the category of contradictions between ourselves and the enemy and what is a reflection of contradictions among the people, come to know what is determined by domestic conditions and what is the result of international factors, and on the basis of this knowledge adopt various effective measures. Where education is needed we should teach, where a guard is needed, we should remain on guard, where attacks and splits and disintegration should be carried out, we should do these things.

If in our handling of questions of class struggle within certain spheres, we abandon the method of class analysis, not only will we be unable to solve these questions and problems, in addition we will also undoubtedly produce unfavorable aftereffects. At one time, some areas demonstrated weakness and ineffectiveness in their handling of serious criminal elements, even to the extent of helplessness. One of the major reasons for this was the lack of the Marxist class concept and the fact that no class analysis had been done.

It is the same in ideological spheres too. Some comrades in the theoretical circles sometimes do not want class analysis and instead they propagate abstract theories of human nature, humanism, and "socialist alienation," thus causing ideological confusion and chaos. Some of them stubbornly continue to talk of humanism, even saying things like the democratic dictatorship of the people is not necessary and that even opposition to and attacks on various criminal activities are not correct or righteous. Some of them even scorn the revolutionary spirit of the saying "first do not fear suffering and second do not fear death," put forward to protect the motherland and the interest of the people, saying that it is contrary to so-called human nature and humanism.

Some comrades in the artistic and literary world, having abandoned the method of class analysis, end up describing the ultrahumanist and pornographic things of the capitalist classes as rational behavior in the search for the essential nature and value of man. Yet others see the essential nature of man as being some kind of "holy water" which can help and change the inveterate foe into friend. In this way revolution thus becomes a tragedy constructed out of political prejudices and total confusion lacking right or wrong, the self or the enemy, and historical inevitability.

These few examples illustrate that rejection of the concept of class and the methods of class analysis means that one's view of many things becomes prejudiced and even quite wrong.

Correct use of the methods of class analysis must be clearly distinguished from the extreme leftist stuff of Lin Biao and the "gang of four." "Taking class struggle as the key link" and sinking into the framework and restrictions of "class" at every turn must not be repeated. In questions not involving class struggle, we must be sure not to incorrectly use the methods of class analysis. However, using the methods of class struggle is still necessary when dealing with questions of class struggle within certain spheres. At the same time, we cannot erase the class struggle of history and when we study the class struggle through history we should continue to make use of the methods of class analysis. Naturally, the methods of class analysis are not the only way in which we understand and investigate society, it is only one of the methods which must be used within specific spheres. In conclusion then, when we investigate and handle social questions and problems we should take care to make a strict differentiation between social contradictions of a class struggle nature and social contradictions of a nonclass struggle nature and also to strictly differentiate between contradictions between ourselves and the enemy and contradictions among the people themselves.

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SEVERAL PARTY CONSOLIDATION AND RECTIFICATION CAMPAIGNS IN THE HISTORY OF
THE CPC

Beijing RED FLAG in Chinese No 11, 1 Jun 84 inside back cover

[Article by Wang Xiuxin [3769 4429 9515]]

[Text] Editor's note: Recently, quite a few readers have written to us requesting that this journal give a brief account of the several party consolidation and rectification campaigns in the history of the CPC. The following is a short article which has been written for our readers' reference by Comrade Wang Xiuxin of the Party History Research Center of the CPC Central Committee.

In the history of the CPC, there have been five party consolidation and rectification campaigns that were clearly decided on at the relevant meetings of the CPC Central Committee and carried out partywide.

First was the consolidation campaign of 1942 to 1945. On 1 February 1942, Comrade Mao Zedong made a speech entitled "Rectify the Party's Style of Work" at the opening ceremony for the Central Party School. On the 8th, he made another speech entitled "Oppose Stereotyped Party Writing." After this, the whole party carried out a consolidation campaign to rectify the style of study in order to overcome subjectivism, to rectify party work style in order to overcome factionalism, and to rectify writing style in order to oppose stereotyped party writing. In April 1945, the Seventh Plenary Session of the Sixth CPC Central Committee adopted the "Resolution on Certain Historical Problems." By that time, the consolidation campaign had ended in triumph. This consolidation campaign achieved unprecedented unification and unity in the whole party on the basis of Marxism-Leninism-Mao Zedong Thought and made preparations for achieving victory in the war of resistance against Japan and the new democratic revolution.

Second was the party rectification of 1947 to 1948. From July to September 1947, the Work Committee of the CPC Central Committee held a party national land conference and decided to consolidate the party organization in a universal manner and in combination with the agrarian reform. From 25 to 28 December, the CPC Central Committee held a meeting at Yangjiagou, Mizhi

County, northern Shaanxi, at which Comrade Mao Zedong gave a speech entitled "The Present Situation and Our Tasks" to further expound on the significance of party rectification. From 1947 to 1948, the party organizations in various areas carried out, in combination with the agrarian reform, party rectification with the "three examinations" (examining class background, examining thoughts, and examining work style) and the "three consolidations" (consolidating organizations, consolidating thoughts, and consolidating work style) as its main content. This party rectification urged intensifying the agrarian reform campaign and ensured the victory of the liberation war.

Third was the consolidation and party rectification from 1950 to 1954. On 6 June 1950, the Third Plenary Session of the Seventh CPC Central Committee put forth the carrying out of a consolidation campaign throughout the party in the summer, autumn, and winter of 1950. The major tasks of the campaign were: overcoming pride and conceit; overcoming the tendency for seeking pleasure, bureaucracy, and the work style of commandism; and strengthening the ties between the party and the masses of the people. On the basis of this consolidation, on 18 February 1951, the enlarged meeting of the Political Bureau of the CPC Central Committee decided to spend 3 years in carrying out party rectification. In March and April, the CPC Central Committee held the first national organizational work conference, which adopted the "Resolution on Consolidating Basic-Level Party Organizations" and decided to universally consolidate all the basic-level organizations of the party. After the conference, the party rectification work gradually developed and, on the basis of education and in accordance with the eight requirements for the qualification of party members, the party reregistered and examined the party members and handled their cases. This party rectification finished by the spring of 1954. This party consolidation and rectification greatly heightened the ideological and political level of our party members, purified our party organizations, improved party work style, strengthened the ties between the party and the masses of the people, augmented the party's combat effectiveness and played a tremendously great role in enabling the party to lead the people all over the country in the recovery of our national economy and in smoothly carrying out socialist transformation.

Fourth was the party consolidation of 1957. On 27 April 1957, the CPC Central Committee issued "Instructions on the Party Consolidation Campaign." Later, throughout the party, we carried out a consolidation campaign on the correct handling of contradictions among the people as the main goal and with opposing bureaucracy, factionalism, and subjectivism as the content. In the course of the party consolidation campaign, the vast number of the masses of the people and patriots conscientiously responded to the CPC Central Committee's call, helped the party carry out its party consolidation campaign, and put forth a lot of useful criticism and suggestions. At that time, an extremely small number of bourgeois rightists took the opportunity to launch an attack against the party and the socialist system and tried in vain to replace the leadership of the Communist Party. It was entirely correct and necessary to carry out a counterattack against this. However, we committed the mistake of inappropriately enlarging the scope of the anti-rightist struggle.

Fifth was the "party rectification" from 1969 to 1971. During the "Great Cultural Revolution," the party held its Ninth National Congress in April 1969. The ideological, political, and organizational guidelines of this congress were all wrong. The congress decided to regard "party rectification" as an important stage of "struggle, criticism, and reform." After the congress, a "party rectification" was carried out throughout our party. Under the slogan of "getting rid of the stale and taking in the fresh," this "party rectification" campaign confused right and wrong; took the enemy for comrades and comrades for the enemy; and falsely accused some party members and cadres, branded them as "renegades," "special agents," "incorrigible capitalist roaders," and "alien-class elements," and expelled them from the party. On the other hand, some of those who began their careers by joining the rebels and following the Lin Biao and Jiang Qing counterrevolutionary cliques, who had serious factionalist thoughts and who had committed "beating, smashing, and looting" were admitted into the party and this made our party organizations seriously impure.

The previous four party consolidation and rectification campaigns in the history of the CPC, particularly the Yanan party consolidation of 1942 provided extremely valuable experience for party building, but the so-called "party rectification" during the "Great Cultural Revolution" left us with profound lessons.

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A BRANCH OF SCIENCE HAVING STRONG PARTY SPIRIT AND INTENDED FOR PRACTICE--A BRIEF INTRODUCTION TO 'GENERAL DISCUSSION ON IDEOLOGICAL AND POLITICAL WORK'

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["Book review and introduction" by Kong Xianggui [1313 4382 6311]]

[Text] Ideological and political work is a branch of science, but it has a strong party spirit and is intended for practice. In the past, there were few books specializing in political and ideological work. Among the few books belonging to this category published over the past 1 or 2 years, there is indeed a rather good one, published by the Shaanxi People's Publishing House under the title "General Discussion on Ideological and Political Work" by Zhang Weiping [1728 5588 5493] and Zhang Junnan [1728 0193 0589] (hereinafter referred to as "Discussion").

"Discussion" has three characteristics which are worth mentioning:

First, the contents are systematic, comprehensive, and maintain a scientific integrity. The authors begin the first chapter by answering the question of why ideological and political work is a branch of science. Using their rich practice and principles easy to understand, they explain that political and ideological work has its own area of research and objects; it has its own inherent laws and characteristics, different from those of other sciences. They also explain that political and ideological work has its own tasks and its own theoretical research work and uses its unique scientific method. Then, in the following seven chapters, the authors examine in detail the following points: the role and position of ideological and political work, its objectives and missions, its basic content and principles, its methods and forms, the fostering of ideological and political workers, the party's leadership over ideological and political work, and so on. Readers will get a clear, systematic, and complete understanding of the extreme significance of this branch of science in practice, regarding what it is intended to do and how to do it, who will do it, and who will exercise leadership over it.

Second, theoretical and practical materials are well combined. The authors believe that ideological and political work does not constitute ordinary methods and means since it has a solid theoretical basis. First of all, ideological and political work is set out according to the principles of dialectical materialism and historical materialism and according to the

dialectical relationship between substance and mind and between economy and politics. From the beginning to the end, the book adheres closely to this basic ideology. It applies the theory of Marxism-Leninism and combines the fine tradition that the party has acquired in its political and ideological work, together with the concrete practice developed at present in the course of unfolding ideological and political work. On each point the book offers convincing argument. Upon reading the book the reader will understand clearly that ideological and political work is an important component of the general work carried out by the party. The success or failure of the tasks of the party hinge on the degree of perfection in carrying out the work. Ideological and political work is indeed the key to the successful accomplishment or failure of any concrete work in the revolution and in the construction of the country.

Third, the book adheres to the principle of party spirit and maintains close links with practice, and therefore it is a realistic book. The authors sum up the experiences and research achievements acquired on different fronts over the past few years in ideological and political work. In line with the spirit developed since the 3d Plenary Session of the 11th CPC Central Committee, the authors make many good proposals concerning how to strengthen ideological and political work. For example, they offer suggestions on how to strengthen ideological and political workers ideologically, politically, organizationally, and professionally. They suggest how to strengthen theoretical research and specialized research in ideological and political work and so on.

"Discussion" has already been reprinted and several party schools and cadres' schools are already trying it out as teaching material. After the trial, we believe the authors will make good use of the opinions of their readers and will make some modifications in order to improve the contents of the book.

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